

Conquering the (Dreaded) Price Objection



OR...

*The No-Sweat Method
to Deal With "Your
Price is too High"*



Brian Jeffrey

The price objection is probably the number one sales objection in today's economy. We get it so often that you'd think we'd have developed an answer for it by now. Unfortunately, most salespeople don't take the time to prepare a proper response to this challenge. This ebook will help you do just that.

Enjoy the read.

A handwritten signature in black ink that reads "Brian J". The signature is fluid and cursive, with the first letter of "Brian" being a large, stylized 'B'.

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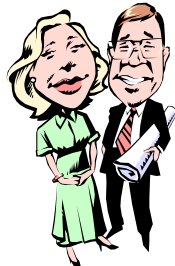
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by Brian Jeffrey

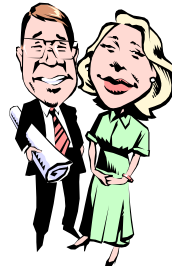
What's the number one sales objection that most salespeople dread? The price objection of course. We get it so often you'd think we would have developed an answer for it by now. Most salespeople don't take the time to prepare a proper response to this challenge. That's what we're going to do in this booklet.

CAN YOU SPOT THE DIFFERENCE?

What do think the differences are between the two salespeople on the right and the two on the left?



Team A



Team B

Both teams of salespeople sell similar-type products and services. In fact some of each team's products compete directly with those of the other team. Team A on the left offers a low- to medium-price range of

products and services while team B sells in the moderate- to high-price range. When it comes time to close the sale, all four salespeople face the same challenge — the price objection.

Team A, despite having low- to moderately-priced products, still struggles with the price objection while team B takes the same price objection in stride.

What's the difference? In a word — attitude.

Team A dreads discussing prices because they know the prospect is going to give them a hard time. They become defensive whenever the prospect indicates that the price is too high. They're not sure how to deal with the prospect's price concerns. Consequently, the prospect usually ends up not buying or, if they do buy, it's often because the salesperson dropped the price.

Team B understands the value of what they are selling and realizes that not everyone will want to pay their price. They're empathetic with their prospect's price concerns and have developed ways to deal with them. They don't get every sale but the ones they do get are profitable for them and their company.

What's your attitude towards the price objection? Is it simply a valid concern on the part of the prospect that has to be dealt with, or is it a road block to the sale that can only be blown away by dropping your price?

Fortunately, attitudes can change and if you'd like to either change yours or strengthen an already good attitude towards price objections, read on.

THE MYTH OF THE LOWEST PRICE

Take a moment to do a mental inventory of some of the things you have in your home. Does your family sit on packing crates and eat with plastic utensils and paper plates, watching a five-inch black-and-white television? Of course not. You're probably quite proud of your home and its furnishings. In fact, because you are successful, you've probably furnished your home better than most people. It's probably

safe to assume that, while you didn't go overboard in your spending, you didn't buy the cheapest furniture you could find. You purchased wisely and got good value for your money.

Why then, do so many salespeople feel that almost everyone else in the world puts price first when making a purchase? In actual fact, a small percentage of the population DO put price first when making a purchase. Surveys show that something less than 15 percent of shoppers put price first. Now, you're probably wondering where the other 85 percent are. Well, they're often standing in front of you as prospects. It's just that you haven't recognized them as value-first shoppers or you're not a value-based salesperson and you count on having the best price to close the sale.

If people only made their purchase decisions based on getting the lowest price, the vast majority of the population would be living in tiny houses, driving used cars, and eating macaroni instead of meat with most of their meals.

The majority of buyers are looking for the best value for their money, not the lowest price. When you sell on value, whatever that might be, instead of price, you're appealing to the majority of the buyers.

Don't get me wrong. Price is important. In fact, it's safe to say that price will always be a factor in the sale, but it is rarely the deciding factor. As mentioned earlier, less than 15 percent of buyers consider price first. Some of the other key factors buyers take into consideration before making a purchase are:

- *Confidence.* How confident am I in you, in your company, and in what you are offering?
- *Quality/value.* Is what you are offering good quality for the investment? Is the value there or am I buying junk?
- *Selection.* Do I have a choice or is it a take-it-or-leave-it proposition? People like choice.
- *Service/support.* Will you be there after the sale or are you a grab-the-money-and-run salesperson? Will your company be around in the long run?

THE BIG THREE

There are only three reasons why the price objection ever comes up:

1. Your product/service IS overpriced!

If your prospect can buy EXACTLY the same product/service for less money from someone else, you have a problem. If he can get the same product from two different sources, he'd better be able to see some difference in the company supplying and servicing the product or the salesperson selling it. If he can't see any differences, then he'll go with whoever has the lowest price. You probably would too.



When selling the same product/service as someone else, make sure the buyer knows why he should buy from you. Find ways to differentiate yourself and your company from your competitors.

2. The prospect CAN'T afford it.

Sometimes your prospect simply doesn't have the financial resources to purchase what you're selling. The prospect may want to buy a Cadillac but if they can only afford a Chevrolet, trying to sell them a Cadillac will inevitably end up with you getting the price objection.



Qualify properly. Make sure you know how much the prospect has to spend (or wants to spend) on what you want to sell them. Simply asking, "How much have you mentally budgeted for the purchase of..." can often get you the information you need.

3. The Prospect DOESN'T WANT to afford it.

Assuming you've done a good job of qualifying your prospect and you know he has a need or want for your product or service, you've determined he can afford it, and you truly believe you are not over-

priced, then the rest is easy. Now you have to “sell” the prospect on wanting to afford it. You do that by telling the prospect the benefits of your product/service and how it meets his needs to justify his making the purchase.



People buy the product of the product: benefits. Don't just explain what the product is; tell the prospect what the product will do for him and why he is justified in paying your price.

The price objection is natural and should be expected, particularly in this day and age. Let's face it, everyone, you and I included, is trying to hold on to their hard-earned money for as long as possible. Having said that, people are still buying and your job as a sales professional is to get them to buy from you.

OBJECTION OR QUESTION?

Sometimes when a prospect says, “Your price is too high,” what he's really asking is, “How can I justify paying that price?”

In other words, he's not necessarily objecting to your price, he just can't justify it. You need to show him that the value outweighs the cost. That's what professional selling is all about.

If you treat the price objection as simply a concern on the part of the prospect, you'll find the price objection far less threatening and less of a roadblock to closing the sale.

FUNDAMENTAL BUSINESS LAW

Sellers, particularly in the retail market, have been perpetuating a myth on consumers that the consumers badly want to believe: that you can have the lowest price *and* the highest quality *and* the best service, all at the same time. It's simply not true!

If I'm going to give you the highest quality and the best service, I have to charge for it or ultimately go out of business. So, if you want the lowest price, which of the other two do you want to sacrifice, quality or service?

If you happen to be selling a similar (or same) product as someone else and they offer a lower price, you can be sure that the after-sale service simply can't be the same. Something has to give if the price is lower.

From time to time, consumers need to be reminded that of the three factors — lowest price, highest quality, and best service — they can only pick two! Sometimes it's your job to subtly remind your prospects of this truth:

"Mr. Prospect, have you ever known someone who got a really good price on something only to regret it later on because either the quality wasn't what they'd hoped for, or the after-sale service just wasn't there?"

WHERE THE PRICE OBJECTION COMES FROM

The price objection usually comes up because the salesperson has not created enough perceived value in the prospect's mind before discussing the price.

You get a "No thanks" or "Not interested" when you start talking price too early in the sale. As you start to establish value in the prospect's mind, he becomes more receptive to your offering (the "maybe" part of the chart). As the perceived value approaches or is slightly over the price, the prospect will show varying degrees of interest until the point where the perceived value truly exceeds the price and the prospect has no problem saying "Yes" to the offer. And if you've done your selling job extremely well and created lots of value, the prospect will say, "Great" or "Is that all?" when you tell him the price.



Whenever possible, don't talk price until you've established value.

VALUE-ADDED SELLING

You can minimize the danger of the price objection coming up too often by practising value-added selling techniques. This means showing the prospect beyond a shadow of a doubt that he is getting good value for his investment. Even then, price-sensitive prospects may challenge your price.

Be prepared to sell value. Make sure you have a mental list of at least three value-added items, services, or concepts that would be appropriate to your business and of value to your prospect.

You also need to know what the added value is of dealing with your company. For example, if you're a large company competing against a smaller one, you probably have the resources to handle problems more effectively. If you're a small company competing against a larger one, you are probably able to move more quickly to solve problems. You get the idea.

WHY SHOULD I BUY FROM YOU?

If a prospect can't tell the difference between two competing companies who are selling essentially the same product or service, then the only thing he has to make his decision on is price.

When telling a prospect about how good or different you are from the competition, you need to give the prospect a reason to buy from you. You need to have a differential competitive advantage (DCA). Your DCA is that unique quality that sets you apart from your competition. It should be the quality that comes first to mind when people think about you and your business. The way people think of speed when

they think of Ferrari, of luxury when they think of Rolls Royce, and of economy when they think of Hyundai.

Your DCA may come from doing things more quickly, less expensively, more skillfully or more thoroughly than any of your competitors. It may come from having more experience, more specific knowledge, or a greater range of products or services. It may be your unique market position or your ability to provide simple solutions to complex problems. Whatever it is, it should enable you to meet your client's needs in a way no one else can quite match. Identify it and promote it.

Your DCA is of no value to you unless it exists in the mind of the prospect. The value of what you offer and what other companies offer will be perceived as being equal unless you explain the difference.

When telling a prospect about how good or different you are from the competition, you must be very careful to not give the impression of knocking your competitors. Bad-mouthing or knocking a competitor is both unprofessional and totally uncalled for. The best way to avoid inadvertently creating the impression that you're putting the competition down is to start with either a positive or neutral comment before making a contrasting statement.

It's important for you to emphasize your competitive difference if the DCA is to have maximum impact. You need to make it easy for the prospect to understand the difference. You do this by including the phrase, "One of the things we do differently..." in your DCA.

For example:

Situation 1: You're aware of the competition. Both their product and service are good.

Prospect: "We're also looking at Rockbottom Corporation."

Salespro: "Rockbottom has an excellent reputation. **One of the things we do differently** is that we provide a three-year parts-and-labour warranty rather than just a one-year parts-only warranty." (Note the use of a positive comment.)

Situation 2: You're aware of the competition. They have a reputation for poor service.

Prospect: "We're also looking at Rockbottom Corporation."

Salespro: "Rockbottom is certainly one of our competitors. **One of the things we do differently** is that we provide a three-year parts-and-labour warranty rather than just a one-year parts-only warranty." (Note the use of a neutral comment.)



You don't have to be better than your competitor, just different.

Remember, if the prospect can't see any difference between you and your competition, he'll make his decision based on price. What's your differential competitive advantage?

PREPARE THE PROSPECT FOR YOUR PRICE

If you know your prices are generally higher than your competitors, prepare your prospect in advance. Let him know early, but not too early, in the sale that you won't have the lowest price. If the prospect gives you a hard time at that point, you may want to move along to a more reasonable prospect who is prepared to give you what you're asking for your product/service. Spending too much time with someone who you know is going to give you a hard time about your price is pure folly.

Let's assume you've been chatting with a prospect for a while and you feel it's time to test the pricing waters. You might say something like this:

“Mr. Prospect, it’s probably worth mentioning that we’re not going to have the lowest price on the block for this particular item and as we chat further I’m hoping to show you why this will be a good investment for you in the long run.”

At this point the prospect may ask what the price is. See the sections on “Premature Price Quotes” and “Presenting Prices” for ideas on how to properly handle this situation.



Be careful to avoid premature price discussions or negotiations until you’ve created value in your prospect’s mind.

MOVING THEM AWAY FROM PRICE

Another strategy that can be used to minimize or even eliminate the price objection before it comes up is to move the prospect away from price as the key factor in the purchase decision.

As we saw, price will always be a factor in the sale but it is rarely the deciding factor. If you can get the prospect to agree to this, you have a better chance to present your more expensive solution.

Even though your solution may be more expensive than your competitor’s, you must still be competitive. What I mean by that is that while most people are prepared to pay more, they’re not prepared to pay a lot more. Everyone’s price differential threshold will be different. Some people are prepared to pay ten to twenty percent more for an inexpensive item from someone they like, while the price differential is substantially smaller for expensive items (i.e. one to three percent for an automobile). Basically, your price can be higher if you’ve created enough value to the transaction.

The strategy is to have the prospect confirm that, while price is important, it's not the most important consideration in the transaction. For example:

Salespro: "How important will price be in your decision?"

Prospect: "Price is very important. Lowest price gets the job."

Salespro: "I understand how you feel. So delivery, installation, quality, and after-sales service are all less important than price?"

Prospect: "Well, not really. I don't want to buy junk. I want to be sure I get the best quality I can afford and I want to make sure it's installed properly."

Salespro: "So, price is important but quality and proper installation are more important. Is that about it?"

Prospect: "Yes, but price is still important."

Salespro: "I understand."

In this case the salesperson has successfully moved the prospect away from having price as the main decision factor.

Sometimes the prospect will tell you that price is his only concern but will reconsider if you start to back away from the sale. For example:

Salespro: "How important will price be in your decision?"

Prospect: "Price is very important. Lowest price gets the job."

Salespro: "I understand how you feel. So delivery, installation, quality, and after-sales service are all less important than price."

Prospect: "As I said, the lowest price gets the job."

Salespro: "I appreciate your honesty, Mr. Prospect, and if this is the case you probably don't want to waste your time chatting with me because we won't have the lowest price. We pride ourselves on quality products backed by excellent after-sales service and we simply can't provide that and also have the lowest price. Have you ever known someone who paid too little for something and later regretted it?"

Prospect: "As a matter of fact, I've done that a few times myself. I may be a bit flexible on the price issue if I was really sure of getting a good bang for my buck."

Salespro: "Would it be worth your while to have us quote on this then?"

Prospect: "Yes, I think so. But have a sharp pencil."

In this case, the salesperson's willingness to walk away from the sale has caused the prospect to reconsider. The key is to give the prospect a way to back down from his "lowest-price-gets-the-job" stand without losing face.

Of course, this technique doesn't always work and you may be dealing with someone for whom price is the only factor in making a buying decision. My advice? You're going to have to work too hard for this low-profit sale. Move along and find someone who values what you're selling.

PREMATURE PRICE QUOTES

Have you ever had a situation where the prospect says something like this, “Just tell me how much”? And when you did she said, “That’s too expensive.” Frustrating isn’t it.

It’s enough to make you want to shout back, “Too expensive for what, you clod. You don’t know anything about what I’m offering yet!” Silence, however, is the better part of valor.

Whenever possible, avoid giving your pricing information too early in the sales process. When asked by the prospect, you might say something like this:

“Before we discuss pricing, Mrs. Prospect, I’d like to ask a few more questions to see exactly how I can help you.” or “Before we discuss pricing, Mrs. Prospect, I’d like to make sure that this is the right unit for you.”

Or some other appropriate words that allow you to delay talking price until you’ve establish value.



If the prospect is buying on price and you’re selling on value, you don’t have a sale!

PRESENTING PRICES

While we’re on the topic of presenting prices, sooner or later the prospect is going to want to know what your product/service is going to cost. If you just blurt out your price without any qualification or justification, you can cause, what is called in the automobile industry, sticker shock. A better approach is to review a few benefits before giving the price information.

Some salespeople drop the price on the prospect and wait to see if she passes out from shock. Not a good idea. Whenever you give out pricing information, you should immediately follow it up with a trial close or other question to maintain control of the sale. For example:

The WRONG way:

Prospect: "How much is it?"

Salespro: "\$1,595.00."

Prospect: (Choke!!!)

The BETTER way:

Prospect: "How much is it?"

Salespro: "When you consider you're getting 24 hours of professional training, a comprehensive workbook, and an opportunity to network with other professional salespeople, the investment of \$1,595 is very reasonable. Would you like me to hold a place in the next class for you?"

Another good approach is to preface the price with a value statement or qualifier such as:

- "If you bought this elsewhere you'd expect to pay..."
- "If you did all these steps manually..."
- "Purchased alone, all these components would total over..."
- "When you take into consideration the low operating cost..."
- "If you include the value of the warranty..."

NEVER APOLOGIZE

Whatever you do, never apologize for your price. Never say, “I know it’s a bit expensive but…” Doing that only reinforces any feelings of low value or high price in the mind of the prospect. Present your price with conviction and confidence. You do this by knowing the value of your product/service and believing in it. If you sound wishy-washy about your price, the prospect is going to doubt its value and want to dicker for a better price.

INEXPENSIVE VERSUS CHEAP

Words make a difference. When talking price, watch your words. If your price is low, it’s *inexpensive*, not *cheap*. Inexpensive implies good value. Cheap implies poor quality.



If your price is similar to a competitor’s, you are inexpensive, they are cheap!

PLAYING THE PRICE GAME

It’s usually unwise to give out your price too early in the sale. However, sometimes the first question out of the prospect’s mouth is, “How much?” Sometimes the prospect asks because he really wants to know and sometimes it’s because he doesn’t know what else to ask about. Here’s one way to deal with this situation:

Prospect: “How much?”

Salespro: “Have you already decided to go ahead?”

Prospect: "Not really."

Salespro: "Before I give you the price, I'd like to know a bit more about... (take over control of the sale by asking enough questions to properly qualify the prospect)".

PRICE SHOPPERS

Every now and again you'll come across non-prospect price shoppers who tell you they just want to know the price after which they usually say, "Your price is too high!" One approach is to simply give them the price, let them go through their charade, and send them on their way. Here are a couple of other approaches for dealing with price shoppers.

As a general rule, don't be the first person to give the prospect a price. He'll only take your price and shop it somewhere else. Here's how to avoid giving a first price:

Prospect: ""I'm just looking around for the lowest price on a model 7250."

Salespro: "If you're really looking for the best price, call me back with the best price you can find and I'll try to better it. If nothing else, I'll confirm that you're getting the best deal."

Here's the way to nail down a price shopper without giving your price too soon:

Prospect: "I'm looking for a price on your model 7250."

Salespro: "I'd be pleased to tell you about the 7250."

Prospect: "I'm not looking for information, just for the lowest price."

Salespro: "If I give you the lowest price, will you buy from me?"

Prospect: "Maybe."

Salespro: "What's the lowest price you've gotten so far?"

If the prospect tells you he hasn't gotten any prices yet, go through the previous script that tells him to come back after he thinks he has the lowest price. If he tells you the lowest price he has gotten, decide if you want to try to better it. If you don't, just tell the prospect that it sounds like he has the best deal in town and he should buy. Don't give a price unless you have to do so.

Be aware of the game that is being played here. The prospect may not have any price or will quote you an artificially low price just to see if you'll come in even lower. His challenge is to get you to give your best price. Your challenge is to avoid talking price until you've established value.

GIVE THEM AN "OUT"

Never send price shoppers away without giving them an out, a reason to come back. Price shoppers are often less than truthful (they lie!) about the "best price" they can get elsewhere, and if you tell them that the price sounds very good to you and you recommend they go for it, the person doesn't have any option but to go buy somewhere else or lose face. Always leave the door open for their return. Example:

Price Shopper: "I can get this unit for \$100 less at Filbert."

Salespro: "That sounds like an awfully good price to me and, unfortunately, I can't match it. If they've given you that price, I recommend you grab it. (Pause for a

few seconds before continuing.) But if you find that it isn't exactly the same, or the warranty is different, or whatever, I'd sure like to see you back."

PRICE HAGGLERS

Price hagglers are different from price shoppers. When a price haggler says, "Can you do better than that?" it's a question, not an objection. Prospects who ask this question are usually already sold but feel obligated to negotiate the best deal. Many newcomers to sales will interpret this question as an objection and become apologetic about the price or simply drop the price. A better approach is to believe in the value of what you're offering and respond in a confident manner. Example:

Prospect: "Can you do better than that?"

Salespro: "I really wish I could. Unfortunately I can't. That's my best price, which is pretty fair when you consider what you're getting."

Or you might try this approach if appropriate:

Prospect: "Can you do better than that?"

Salespro: "I can do quite a bit better if you purchase more than one (or some other condition)."

PRICE OBJECTION STRATEGIES

Here are ten strategies for handling the price objection. Please don't expect all ten to work for you because they won't. You should be able to find at least one or perhaps two strategies that will help you deal

with the price-sensitive prospect. When you have the right strategy for you, develop it, massage it, hone it, and make it your own.

1. Focus on the price difference, not the price.

Your price is high in comparison to what? Someone else's price? Find out what the other price is and focus on the *difference*. Sure you may be 10 percent more expensive than your competitor but if that 10 percent buys your prospect 30 percent greater benefit, you are showing value-added. The key is to avoid using the larger number in your discussions.

For example, if your competition's price is \$5,000 and your price is \$5,500, focus on the \$500 difference, not the \$5,500 total price. Phrases like, "For an investment of only \$500 more, you'll be getting..." or "Let's see what the extra \$500 buys you" get the prospect focused on the relative small-dollar difference, not the larger-dollar value of the sale.

Exercise:

Determine how you can justify a 10 to 15 percent difference in price.

2. Make the price seem smaller.

If the product is something that your prospect will use for a long time, amortize the cost over the life of the product. Break the price down into cost per day, week, month, or some other suitable time frame. Again, focus on the price difference rather than the total price. This way the comparison will seem even smaller. "For only \$2 a week you will have all these additional benefits that we talked about."

Exercise:

Take a product/service you offer and break the cost down to the ridiculous.

3. Make the purchase an investment, not an expense.

Show, not just tell, your prospect how much she is saving and benefiting. Contrast this with the small additional amount your product/

service may actually cost. By focusing on the benefits, you are helping the prospect see the added value of dealing with you.

Exercise:

Practise restating the cost of your product/service as an investment?

4. Explain the drawbacks of the lower price.

Despite what some prospects would like to believe, you can't get something for nothing. In today's competitive market where everything is priced very tight, if someone's price is lower it's lower for a reason. Sometimes this explanation alone will sway the prospect. This argument uses fear to move the prospect away from the lower price. If the price is lower then it must be lower for a reason and that reason may be lower quality, less features, shorter life, or whatever.

The best use of this approach is when you know exactly why the other person's price is lower and can explain it in a way that doesn't knock your competitor.

Exercise:

Think of your major competitors and come up with two to three reasons a lower priced product/service would be potentially inferior.

5. Make sure you're comparing apples with apples.

Unless you are selling the *exact* same thing as your competition, then you are not comparing apples with apples. When the price objection comes up, you can say, "I understand how you feel. We all want to make sure we are getting good value for our money." (Acknowledgment) "Let's take a look at both offerings to make sure that we're comparing similar benefits." Now do a feature, or preferably, a benefit-by-benefit comparison.

Exercise:

Do a comparison against your strongest competitor.

6. Uncover the hidden benefits.

This is where you bring out some of the benefits you've kept in reserve. You've already given your prospect the key benefits you felt were important. Now it's time to bring out some of the less important ones. They may or may not be of great benefit to the prospect but the sheer volume may convince him. It's a matter of pouring a bunch of benefits on the table in the hopes the prospect will find a gem hidden in the pile. Watch the prospect's eyes as you uncover the hidden benefits. They'll tell you when you hit pay dirt.

Exercise:

List three benefits that you can keep in reserve for use in this type of situation.

7. Create value added — make it worth more.

As you've seen, everything has a cost and a value. The logical part of the prospect's mind will look at the cost but the emotional part will see the value. If you understand your prospect well and have built up a good rapport, you will have uncovered his emotional buying motive. If you help the prospect discover his WANT, he will create the value. The key is to find out what your proposition is really *worth* to THE PROSPECT.

Exercise:

How would you explain the difference between cost and value to a prospect?

8. Compare results, not price.

You need to find ways to differentiate your product/service from your competition in terms of results. Perhaps it's the extras you offer or some other aspect or special touch. It may simply be the degree of final quality that makes the difference. The key is to look at the final result of your product/service and see how you can make it different.

Notice that I've used the word *different*, not *better*. If the end results are *different* and the prospect *wants* to buy from you, he will.

Exercise:

Develop two things you can use to differentiate yourself or your product/service from your main competitor?

9. Compare with more expensive products.

Unless you're the highest priced product/service on the market, you can always find a more expensive one to compare yourself against. I'm not talking about an apples-for-apples comparison here, just a comparison. As long as the comparison isn't outlandish, and the prospect really does want to buy from you, it will help him rationalize the purchase.

Exercise:

Make a list of some more expensive product/service you can use for instant comparisons? List three similarities with your product/service.

10. Use payment terms as a closing tool.

Break the cost down into easy payments or terms. If your firm has a payment plan, use it to counter the price objection and then ask a question or do a trial close or close. After the price objection is raised, you might say something like, "You're right, it's a lot of money to lay out in one chunk. If I could delay the invoice for 120 days would that help? Would you like me to check with our accounts people?" If the prospect says yes, you have a deal.

Exercise:

What terms can you offer?

11. Give something away.

(I know, I only promised ten techniques. It's better to under-promise and over-deliver!) If possible, build a little extra into your pricing that

you can give away as a price-negotiating tactic. Even better is to give something away that doesn't cost you a lot of money but has a high perceived value. For example, a computer dealer might "throw in" a power bar, a document holder, and a box of printer paper rather than drop the price \$150. The perceived value may be \$150 while the actual cost may be less than \$50.

Exercise:

What are some things you can "give" away?

BEWARE OF SENDING THE WRONG MESSAGE

Every now and then you may find yourself in the situation where the prospect wants to prematurely negotiate prices. As soon as you say things like, "How low do I have to go to get the business" or "I want to be competitive, so let me talk to my manager," you send the wrong message about the value of your product or service. When the discussion changes from value to price too early in the sale, and the prospect gets a better price, they often feel they should have held out for a bigger discount or that something must be wrong, or your offering isn't worth what you say it's worth.

Remember, win-win negotiations requires a certain amount of give and take, not just give and give.



Don't lower your price without getting something in return.

UNDERSTAND THE VALUE

Know why your product is worth its price. If you don't know why the prospect should pay your price, don't expect her to know either. If you don't establish value by the way you sell your product or service, no price is too low and any price is too high.

GET SHARP AND STAY SHARP

Selling is work — hard work. I believe that's why there are so few professionals in sales. The pros are prepared to make the effort to be as good as they can be. Just like the golf pro who continually practises putting, the sales pro has to continually practise those skills that are key to long-term success.

Handling the price objection is one of those skills. Keep practising. Read through this booklet from time to time to keep the techniques near the top of your consciousness. Practise your favourite techniques until they become second nature to you and then practise some more. Be prepared for the price objection so that when (not if) it comes up you can handle it like a pro. Even the sharpest of knives can get dull. Stay sharp, stay ahead, and make a difference.



ABOUT THE AUTHOR

Brian Jeffrey is a sales management consultant and former sales trainer with over 40 year's experience. He's the author of *The Sales Wizard's Secrets of Sales Management*, *The 5-Minute Sales trainer*, 18 ebooks, and over 100 articles on selling and sales management.

Brian provides sales management consulting, coaching, and mentoring to business owners and sales managers. He has had many sales successes (as well as a few spectacular failures) and has learned what works, what doesn't, and why — information he readily shares with others.

Find out how Brian helps companies maximize their sales at **www.Quintarra.com**.

