



MONDAY MOTIVATOR

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Selling Below the Price Line

Selling anything brings to mind convincing someone else to buy what you have. Picture Mr. Haney trying to sell nearly anything to Mr. Douglas in the TV series Green Acres! But the reality is far different for professional salespeople; those who earn very good livings by helping others simply WANT what they have. In this edition of the Monday Motivator we're going to look at a program that has been taught to well over 100,000 sales professionals in the USA, Canada, Europe, Asia and South America.



The program and the technique is called “Selling Below the Price Line.”™ It probably comes as no surprise that most of the products and services we buy are acquired from a position of want, rather than just need. Yes, there are many things we need, but most of what we buy is bought because we want it. The interesting fact about the difference between want and need is that need seeks the lowest price while want seeks delivery. With want, price is less of a discussion; not always, but in most cases. This is the key issue the retail industry is facing as you read this.

How many times have you walked into a retail store in search of something only to find the store does not have it but they suggest you can get it “online?” We can google up discount coupons for nearly any store and see that discounts are being offered for instore purchases. And if we look further we'll find coupons worth 300% higher discounts if we order the same merchandise online. What is happening here is that if you want it but can't get it the store will offer you a larger discount to wait for it. People are willing to wait if the economic payoff is sufficient. Many times, it's not a matter of price – it's a matter of availability, so the customer buys from another source.

What selling below the price line means can be illustrated with the following diagram:



Suppose you are selling water. You get your product from the snow on the top of this mountain. In order for the snow to be there the mountain is necessary. Also, there needs to be a way to capture the water as the snow melts and is replaced by new snow with every passing storm. For this there needs to be roads, cleared work spaces and shelter for the workers. All this is part of the mountain under which the snow exists. One day someone comes along and wants to buy your business. The conversation turns to what is included in the business. You point out that the snow is nearly always there and because you own the mountain you have exclusive access to it.

The prospective buyer looks up and says he only wants to buy the snow, not the mountain beneath it. In the buyer's eyes, the price line is that space immediately below the snow but no lower than that. Everything above that imaginary line is what he's willing to pay for. What do you say to your prospective buyer? You could say the snow only comes with the mountain so the prospective buyer can take it or leave it. As silly as this make-believe scenario seems, the reality is that business is just like this. People want to pay for what they can see, not what is hidden beneath the product or service. For example, we go to a car dealership and marvel at the shiny new cars and how beautiful they look sitting there on the showroom floor. But we want the price to be lower. Why?

It's because we have been conditioned to believe that most cars are overpriced and that dealerships cannot be trusted to offer us a fair deal. So, we naturally revert to buying only what is above the "price line." That is to say we are willing to talk about the price of what we see on the showroom floor, not the thousands of research and development hours it took to produce not only the car, but a SAFE car ... and one that needs very little service in the first one hundred thousand miles. Without understanding the value items that make the car possible in the first place, we think only in terms of price.

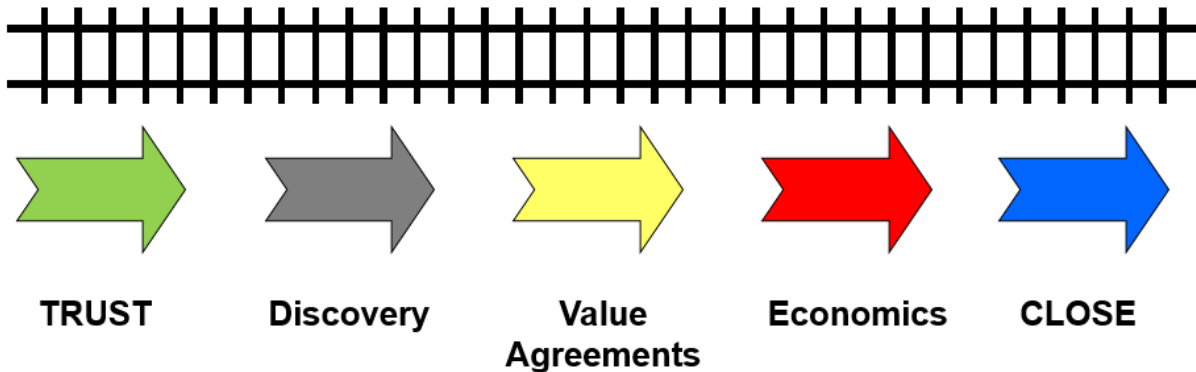
This is true of everything we buy – product or service. We tend to want to pay for what we see, not what is unseen. We pay for "what's in the box," not the customer service that comes with it, or the warranty that guarantees its longer-term value. So, what is the selling practice that turns ordinary salespeople into sales superstars? It all starts with a five-step selling process. Before any discussion of value or price can proceed there needs to be trust. Trust in what you may ask? Trust in the company, perhaps you personally, your product or process, your service or support of it, even your time in business and the likelihood of your still being in business into the future.

You can build trust by asking a few questions at the start of any sales discussion. But even now, before you establish trust you need to be very clear that you are not there to sell anything to anyone. You are there to help people buy what you have. In other words, you are there to facilitate a buying process. Remember that the more someone WANTS what you have the less focus there will be on the price. It does not mean price is not important, only that it will not be the most important issue.

THE FIVE STEP SALES TRACK



1. Professional selling uses a structured process
2. Your sales track only goes in two directions
3. If you get hijacked to price don't get off the train



After you have established a little trust you can move into the business train station called DISCOVERY. Here you ask a memorized group of five questions that will give you more qualifying information than most salespeople get in one hour of discussion. The questions are:

1. How did you hear about us / me / the product or service?
2. In doing a little research have you seen or heard about anything you like so far?
3. Have you seen or heard about anything you don't like or would like to avoid?
4. How soon were you thinking of making a decision on a solution?
5. Is there anyone else who will also need to agree on a final selection?

Why these questions? So that you can educate the prospect all along the way and seek agreements on the various considerations that constitute value to the prospective buyer. The answers to these questions will help you see the vision of the prospect. From this understanding, you can sell to those issues that the prospect says have value to him or her. You can also avoid discussions about the issues that have little or no value to the prospect. This saves you time and helps the buyer focus only on the positive elements of the value discussion.

Once you have the value agreements in place you can proceed to discuss the economics of the transaction. At this point many salespeople get stressed out. They worry that if their quoted price seems too high the sale will be lost. In fact, there was never a sale to start with. Unless the value is there any price is going to seem too high to the buyer. People only spend money for one of three reasons – To look good, feel good, or solve a problem. We don't usually like to spend a lot to solve problems yet are willing to spend exorbitant amounts to look good. We also spend a lot to feel good. Once we have covered the economics of the deal and we have agreement on the value elements of the transaction we can simply allow the prospect to buy from us. Of course, this sounds

way too easy. Most customers want time to think it over. They want to consult someone else first. They want to look around some more. They are in no hurry so they'll "be back." If you are a professional salesperson you are likely smiling right now because you know this. You've heard all the standard objections designed to put off making a buying decision now. If you go back to the "Discovery Process" in station number two you'll see the wisdom in asking the questions the way you did. Nearly every objection except the price is covered there.

Price objections are covered in the Value Station (number three). It's now time to go from the discussion of economics to the CLOSE ... that dreaded word associated only with sales and door makers. We must be able to CLOSE! What if you did not need to close at all? What if because you were expert enough to step through the process of building value before a discussion of price you could simply close the sale by saying "In summary, it sounds like we agree on the value, the timing, the economics and the product / service. Let's get the paperwork handled and get this delivered."

In summary, selling below the price line means a lot more than just rattling off a list of values that you and your team agree should have the respect they deserve. It means learning the process from a professional sales coach that can walk you through a series of classes designed to take you from being in sales to being a sales superstar. We have good news for those who are willing to invest a little time in their own career skills. Starting Wednesday, October 4th, 2017 and the first Wednesday of every month thereafter, we are offering a lunch and learn session at the Coaching Center of Orange County located at 1231 E. Dyer Rd. Suite 215, Santa Ana, CA 92705. This presentation will be from 11am to 1pm and includes all program materials. If you are in sales or head up a sales team this is an event worth attending. Free parking and only \$20 admission which includes lunch tossed in. You'll learn what career sales professionals do to earn some of the biggest paychecks in the world of business. You'll also learn about the secrets to sales success no matter what your product or service. Reservations are required and seating is limited to twenty. Call 562-577-7000 and ask for Will Robertson.

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