



EIGHT WAYS TO SELL VALUE - NOT PRICE!

If you want to get paid what you're worth here are eight ways to sell value - not price:

1. Be Unique. If there is nothing that differentiates you from your competition you become common. Webster defines the word common as, "ordinary or not special" and the only way buyers select one common service over another is price. Take inventory of your skills, experience and knowledge. Are you a specialist in some area? Are you an expert in certain facets of your business? These and other differentiators can make you unique and valuable to a select group of clients.

2. Choose Your Clients Carefully: Don't ever let your clients choose you or you will be at their mercy. If a deal is going to close successfully, the true professional should be in control, not the client. To begin controlling your business, write down the attributes of the people you want as clients and then go out and get them with targeted marketing. I hope the first item on your list of attributes is that they are people you enjoy spending time with. Being a business owner is far too difficult to work with people you don't like just to earn a living. Turn away people who don't meet your criteria. When you reject or refer clients it tells the world that you don't just work with anyone, you are selective which raises your perceived value. It also makes you unique from other businesses who will work with anyone who can bring them a paycheck.

3. Set High Standards: If you work with anyone and everyone your value drops. If people have to qualify to work with you your value increases. Of course you know that there are prospect who will ask you to give them a bid with no intention of ever buying from you. They're planning to use your bid to leverage a discount with their current vendor or any one of a dozen other reasons that they want your knowledge but not your services. Then there are buyers who will waste your time and then purchase through another vendor (probably a relative). Don't ever meet with a potential client until you ask a logical list of questions to determine their seriousness and loyalty. You need to know their motivation and if they are interviewing other vendors. You also need to know if they're financially qualified. If you don't have serious, financially solvent, and loyal clients, why waste your valuable time with them?

4. Compete On Value, Not Price: No disrespect intended to other business models, but it doesn't take any special skill, experience or knowledge to compete on price. All you have to do is be the cheapest, but this is a losing game. Some people may remember the gas price wars of the 1960's and early 1970's when there seemed to be a gas station on nearly every corner. To gain market share, one would cleverly lower its price, but then all the others quickly followed suit and the only result was that everyone's profit margin was reduced. The way to get paid what you're worth is to visibly demonstrate your value to your clients. Competing on price does not create value.

5. Create Value In The Eyes Of Clients: Frankly, most people throughout the country believe that people in sales do little to earn their commissions. This is our fault because we should be educating them about how hard we work before ever accepting them as clients. Keeping my prices firm was a problem until I started tracking of all the different duties required to earn my pay. I developed lists of activities I do for customers. This amazes clients because most have no idea how complicated their orders sometimes can be (whether it's manufacturing, servicing, fulfillment, etc.) Since I created these lists I've never had to cut prices. If a prospect asks for a discount I simply show them the list and say, "Here are just some of the activities I must complete to earn my money. Why don't you point out the things that you'd be willing to do instead of me. If you save me time then we can talk about saving you money because I earn every penny I get." When confronted with a list that runs nearly ten pages long their eyes glaze over and they usually respond with something like, "You're the expert, I expect you to do this work!" To which I simply say, "If you want me to do all of these activities on your behalf then you need to pay me what I'm worth. If you want to pay less, I'll see if I can find someone who will do less and maybe they can save you some money."

6. Educate Your Clients About How Much You Make. After speaking to thousands of agents all over the country for the past 15 years it's clear to me that the average prospect is clueless about how your prices are determined, factoring in overhead and other expenses we have to run our businesses. Most business owners face the reality of having to pay 33% federal, 10% state and 13.2% self-employment costing a total of 56.2%. As a result, clients often say, "Wow, you are underpaid for handling all these activities for me!" This was exactly my intent by taking the time to explain how I earn my money and how little I actually keep. This way they never try to cut my prices because they know that, like them, I earn my money and I don't make as much as they may have previously thought.

7. Provide value that no one else offers. When prospects do business with me, they get a complete outline that explains my process from start to finish. It also includes samples, a list of service providers that could be involved in the process and much more. No other competing business offers any of these benefits, so if a client wants to work with me they must pay what I ask.

8. Reject price shoppers. Studies show that only 15-18% of people make their decision to purchase a product or service primarily based on price. This means that the majority of clients appreciate value and are willing to pay for it - if they see it.

Don't forget that real professionals earn their money by helping clients maximize value, minimize costs, save time, and much more. If potential clients don't appreciate this then feel free to refer them to your competition. You don't need every prospect and you certainly don't need every buyer to be successful. If all someone wants is a cheap transaction, send them to a vendor who competes on price and wish them both luck!