

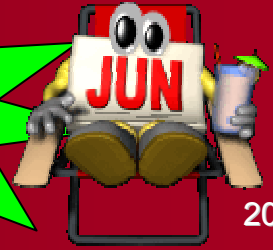


TriOpus Group

Shaping your company's talent

This month:

**IMPORTANCE
OF PRICE**



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Oscar Wilde once said that a cynic is a man who knows the price of everything and the value of nothing. As harsh as this may sound, it does raise the issue about our buying habits and, perhaps more importantly, our selling habits. Cost is important to every one of us. But is it the sole or main buying motivator? This month's newsletter focuses on what is important to people when they buy your company's goods and services. Are you and your company assuming that price is the most important item on your customers' minds? What else do your clients want, expect, and need from you before they will hand over their hard earned money? Knowing the answer to these questions is the key to your selling success! If your sales team is selling only on price, talk to us. TriOpus Group's Consultative Selling That Counts may just be the tonic your team needs. Call us today at 1-800-864-2721 for more information.

cost is important, but we're still buying...



There is hardly anything in the world that some man cannot make a little worse and sell a little cheaper, and the people who consider *price only* are this man's lawful prey.

– John Ruskin

Lousy service is great for business! No, not your business, your competition's. TriOpus Group's David Colman will be speaking about this at this year's NCBS Retail Banking Conference, July 10 and 11 at the Four Seasons Hotel in Chicago. To read about the line-up of great speakers and for booking information, visit www.ncbs.com today.

I have enough money to last me the rest of my life, unless I buy something

– Jackie Mason

www.triopusgroup.com

"I don't know why we are even taking this sales course because everybody buys on price anyway. Our company doesn't have the lowest prices, so what's the point?" As a Sales Trainer and Coach, I used to think that this objection was my biggest challenge in the classroom. After all, it made some sense to me and I could think of a number of things that I buy at the best possible price. My local telephone company had called me to ask why I had switched my long distance service to the competition. My answer was, "Price. You can't match it." When I buy gasoline, I go to the cheapest station. After all, gas is gas, isn't it?

Don't get me wrong. Price is important and you certainly can lose a sale if your price is not competitive, but I have learned that other motivating factors come into play when making a purchase before price is even considered. Here is the rule of thumb that I follow and teach people in my classes:

'Price is only a factor when the potential customer sees all the other motivating factors as being equal to the competition.'

Let me explain. There is perhaps nothing more stressful than going through the dance of buying a new car, except perhaps going to the dentist on your wedding day! We recently purchased a new car and during the shopping experience, we were treated to the full range of sales approaches. We looked at and test-drove five different cars in our price range that interested us. We narrowed our choices down to two different cars that were very similar. They were not the cheapest of the five. We finally decided on one and made the deal. And the reason we bought that car? It wasn't the price alone (remember it was not the cheapest).

The very first thing the salesman did was sit us down and ask questions to discover what we were looking for in a car. Other sales people, instead, spent that same time telling us what they knew about cars. Of all the dealers, the person we bought from was the only one that sent us a card thanking us for test-driving a vehicle. He also followed up with a phone call. To put it bluntly, it was a car sales experience unlike any other.

Had all the other dealers taken the same service-oriented sales approach, our decision would have come down to price – as we would have seen all the other factors as the same. We saw a difference. It was a big difference to us, and even though the car we bought wasn't the least expensive, we felt that we had gotten a great deal.

As an alternate example, I see filling my gas tank as a price issue because all gas stations seem exactly the same to me. I have to pump the gas myself, the washrooms are often a challenge, and service, other than taking my money, is non-existent. Gas I buy on price.

All of my personal and classroom experience tells me that people buy for three reasons of which only one is price. The three reasons are:

Convenience: The product or service has to be handy for me. I'm not going to drive across town to save ten cents on gas!

Peace of Mind: I have to feel that the product or service is safe and reliable and that I can depend on, like, and trust the people I am dealing with (like my new friend, the car dealer).

Price: Lastly, I have to know that the price is reasonable and that I am getting good value for my investment (the car wasn't the cheapest but it was very good value).

I believe these three motivating factors apply in virtually all buying situations. Remember, though, that price will become the issue if the client does not see any difference between you and your competition when it comes to Convenience and Peace of Mind.

Your challenge as a Corporation, Sales Manager, or Customer Care Specialist, is to set you, your services and products apart from the competition. If you fail to do that, your customers, including me, will shop on price, elsewhere.

