



"Can't you do better than that? Your competitors' quotes are 15% lower than yours!"

Winning when you're the more expensive option is a challenge all of us face at one time or another. My own instinctive reaction, after years of hearing this in the final stages of a competitive deal, is to turn it around and ask, *"Do you wonder why they are?"* Of course, I would never respond in such a combative way. There's no need to. Since I use a consultative, problem-solving approach to selling, I know that behind this "objection" lies a request for clarification, for education, or for information. And that's exactly what I'm going to do for him - clarify, and educate. In this case, the prospect is really asking, *"Are you worth more, and if so, why?"* He may also be asking, *"Is there something of value missing from the proposals that would account for their quotes' being lower?"* In the end, the question he needs answered is, *"With which vendor will I be getting the best deal?"* where "deal" means "value." When phrased this way, this "objection" becomes a pretty reasonable request, doesn't it? Your job as a seller, then, is to establish the superior value of your offering. If you can't do that, you have no right to expect to win the business, let alone command a higher price.

So how do we go about establishing our superior value? We start by recognizing that "value" has two components - what you get and what you give up. **Benefits** and **costs**. The *ratio* of **return** vs. **investment**. As sellers, we need to demonstrate that this ratio is highest with our offering (notice that I did not say we have to have the *lowest cost*, nor the *most benefits*. It's the two *in combination* that matter.). To do this we first determine the benefits that are important to this prospect, and position ourselves as the best solution for him on this basis. We accomplish this by asking questions. **Discovery** questions that uncover what this prospect is looking to accomplish with our offering, what set of benefits he considers important. **Leading questions** that get him to value benefits we offer that our competitors don't (of course, this means you have to know what your competitive advantages are!). Questions that get at what this person's **agenda** is - what factors influence him, what motivates him, and how will he ultimately make a decision, when all the hard analysis is over and done with (see [sales tips #9](#), and [#10](#), in which we discussed the complex set of factors that go into how people make buying decisions).

Having now made a persuasive case for our offering, our next task is to make an equally persuasive case that it's worth what we're asking. How can we do this when we're priced higher? To begin with, your burden is now considerably lighter, now that you've demonstrated your superior solution - you've already increased the benefit/cost ratio. Your prospect now wants to buy from you, but may still need a little extra convincing on the cost side. One way to do this is to have him consider and compare the **Total Cost of Ownership** (TCO) of the various solutions. If you know that the cost of owning your product or service will, in the long run, be

significantly less than that of your competitors' products or services, you need to share this with your prospect, who may only be looking at what he's going to have to spend now. Other cost- side benefits, the importance of which you might probe on, are the avoidance of the non-financial "psychic" costs such as less worry and lower risk that come with working with you and your company.

Will this approach eliminate all haggling? Of course not. It is human nature to want to get the best deal we can. Buyers assume (often rightly so, if the seller has priced his offering in anticipation of a negotiation) that the price they're being quoted can always be improved upon.

ACTION ITEM Pick a deal you're working on where price is an issue. Have you established your product or service superiority by aligning its benefits with what's important to your prospect? Have you established the advantages you provide vis à vis the lower priced alternatives? Have you established investment superiority by demonstrating a lower Total Cost of Ownership. Have you established a lower psychic cost to doing business with you? If not, go to it! Because once you have done each of these, you will have a superior offering that will allow you to turn the tables on your low-priced competitors. Because now your prospect, if he isn't already sold on your offering, has to go back to your competitors and ask the same question of them as he did of you - *"Can't you do any better?"* And this time, he doesn't mean price! Good Selling!