



the **sales** consultancy

Frustrated at always having to compete on price?

Does your particular product or service cost more than the competition?

Are you often asked to match or beat lower priced alternatives that you know aren't as good as yours?

A very common dilemma - so how could you compete against these pesky competitors that undercut you?

What's your value strategy?

First - check in...how much clarity is there in your overall offering? Where does pricing fit in? Do you want to build a reputation around low price? Or superior service? Or top quality? Convenience? Best Guarantee? Speed of service? Having the largest selection? Being the 'Go To' people? There are many ways you can add value to the most basic of products. How can you add value to the transaction apart from price?

The way you construct your value mix will determine your success – so re-visit this and make sure you have ultimate clarity in your mind.



How clear are your sales and marketing messages?

How accurately do your current sales and marketing messages reflect your value strategy mentioned above? Are they clear? Or muddled? Good to go? Or in need of serious alterations? How well do your target markets understand your messages?

How do you feel about the prices you charge?

Think carefully about the last 5 things you purchased. Of those 5 items, how many of those did you choose because they were the cheapest? If you're representative of most people you probably purchased no more than one or two items based on the price of those items. Research suggests only 30% to 40% of all customers buy on price, the rest buy on value.

It's an old adage but if everyone bought on price why aren't we all driving around in the most basic model of car? Why do many pay £3.50 for a coffee when they could pay nearer to £2?

Never think you are selling a commodity. If you do, you are condemning yourself to always sell on price.

But what does value mean from a customer's point of view? Apart from the practical elements I describe above, there's a whole bunch of psychological traits at play when anyone buys anything, centred around emotions, moods, beliefs, self image, reputation, personal values – all of these and many more come into play when making buying decisions.

The buying experience

What buying experience are you offering your customers and potential customers? Sure you'll have your sales process to follow, but what about **their** process? Today we have a surplus of similar companies, employing similar sales people, offering similar products, offering similar solutions, of similar quality – at similar prices.

How are customers choosing between all these similar offerings? Probably not price! Quite simply many are choosing as a result of their buying EXPERIENCE. **How you sell** is often more important than the price you sell at.

How are **you** selling? And how are you making your buying experience better than that of your competition?

To summarise

So before you start slashing your prices in the hope of being competitive...

- 1) Check in with your marketing positioning. Are you 100% clear where you are adding value? If not, make that an urgent action point.
- 2) Clear out your own 'stuff' about your pricing. Whatever you charge, be proud of your price, understand why you don't have to be the cheapest.
- 3) Make sure you offer a fabulous buying experience to the customer. What do they need from you, from the moment they discover you exist, to long after you have delivered that product or service?

Next week I'll still be on pricing. I'll be sharing with you a fabulous tool you can use with those potential customers of yours who are consistently telling you it's only about price! Be sure to keep an eye on your inbox next week.

Until then

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