

WHEN YOU CAN'T COMPETE ON PRICE

Your competition sells good stuff; you sell good stuff. Their service is acceptable; your service is acceptable. Their prices are competitive; your prices are competitive. In other words, the buyer looks at your package and the competitor's package and sees parity, along the product dimension and company dimension. What's a salesperson to do?

The same product, from the same company, from two different salespeople is two different solutions altogether. Two Fortune-500 type companies asked how much value their salespeople bring to the table and discovered that 35-37% of the value customers receive comes from the people with whom they do business. Do you bring that much value to the table? If you left your company tomorrow and went to work for a really good competitor, how much business would you take with you? If your answer is "little" or "none", I would argue that you're not bringing much value to the customer.

When products are similar or the same, and the suppliers' services rival each other, the only thing left to differentiate a solution is the salesperson. How much are you worth to the customer? A business owner told me that he wanted to be routinely 10% higher than the competition. "If the buyer doesn't feel I'm at least 10% better than the competition, I need to know about it," he said.

If you couldn't sell at a cheaper price, how would you communicate your value to the customer? If you couldn't argue that your service was any better than the competition, how would you sell? If you couldn't rely on product differentiation, what would you use as an advantage? You would have only yourself left to sell. You must be able to answer this question for the customer, "Why should the buyer want to do business with you as a salesperson?" You are the "product" over which you have the most control. You may not be able to do anything about your product's quality or your company's service level, but you can do something about your performance. One study found that the salesperson's competence is the number one factor accounting for overall customer satisfaction. All other things being equal, would the customer pay to do business with you, as a salesperson? You can increase your value to the customer by doing the following.

Study. Become a serious student of our profession. Increase the value of your knowledge. Study the market, your company, the customer, your products, and our profession. Become an expert. Learn so much about your craft that the customer can't afford *not* to do business with you. Become the benchmark by which all other salespeople are judged.

Follow up. The number one complaint buyers have about salespeople is a lack of follow-up. Guarantee your follow-up. Advise buyers that this is part of your value added. Assure them that you will be there after the sale to guarantee their complete satisfaction with your solution. Promise them accessibility before, during, and after the sale. Promise a lot, but always deliver more than what you promise.

Seek to add value, not cost. Diligently look for ways to add value with your performance. The customer must perceive you as a profit center, not a cost center. Help the customer achieve greater efficiency and higher productivity. Help the buyer gain maximum performance from your solution. Work as hard to keep the business as you did to get the business. Look for ways to re-create value at every turn.

So, if you couldn't compete on your price, your product, or your company's service, how would you compete? Would your customers be willing to pay more to do business with you, the salesperson? You may be the most significant competitive advantage that your company offers.

Author byline: Tom Reilly is a professional speaker and author of twelve books. Tom is literally the guy who wrote the book on *Value-Added Selling* (McGraw-Hill, 2010), the book that started the value selling revolution. For more information on Tom's presentations, training, and products, visit his website www.TomReillyTraining.com or call his office, 636-537-3360.