

Sell Value, Not Price



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What is the biggest objection that sales people and customers have? In many cases, they say, “the price is too high”. If the majority of the non-productive sales people had their way, they would get the builder to lower their prices and then give a discount. For some reason, sales people feel that if the price is lower, it will be easier to sell. That

is not the case. Every price is too high, if the consumer does not understand the value. Many realtors try and sell the same way, thinking if they can get the consumer to lower their asking price, it will be easier to sell the home. Builders and sales people, who sell the least expensive product, generally don’t stay in business very long. One reason is that the product is inferior. Secondly, they don’t make enough money to stay in business. The top sales people in any organization are generally not the individuals that sell the lowest priced product.

How can a customer really know what you are selling, if you don’t show them the value? If we don’t demonstrate our product or model homes, the consumer will come away with a preconceived notion, on what the home is worth. When value is shown up-front, and how it benefits the customer, they start thinking that you are offering them a lot, for the money you are asking.

When consumers visit your model home, don’t ever ask them if they want you to walk them through your model. That question should not be in your vocabulary. “Demonstrating” the model is the best way to find out about your customers and to sell value. Use your model homes effectively. If you are not selling value, and you sell the lowest price product in your market, you don’t need a model home, all you need is a photo.

Understand, that not all customers buy on price. Some consumers start off asking about price, however as you find out more about them, you will discover that they have other items that are important to them: items such as quality, warranty, reputation, brand name, and service. Take time to find out about your customer. It’s OK to ask about price early on. Find out what’s important to them in the purchase of their new home. If price is going to be the only consideration and they are not interested in quality, service, reputation, warranty and brand names, then maybe you are talking to the wrong person.

Have you ever used the term, “more is less”? Consider the following items: quality, warranty, reputation, brand name, and service. Why would these items be of importance? What are they worth? What is the long-term value of these items? Remember, the cheapest price is not always the least expensive. A consumer who buys a home for \$10,000 less than your home, might end up paying more in the long run. Either their price really didn’t include everything, or based on the quality, the customer will end up replacing items. What is the energy efficiency of your home compared to your competition? How much less will your home cost the consumer every month to operate?

In the first sentence of this article I talked about the biggest objec-

tion sales people have. If price is a constant issue, then maybe the salesperson has the “hang-up” and is projecting the problem to the customer. It’s kind of hard to sell something that YOU are not sold on.

Let’s look at this, from a different viewpoint. If everyone was price conscious, we would all be driving the same least expensive car, living in the smallest home we could find, eating at the least expensive fast-food chain and watching TV without cable or satellite dish. Take a look at the cars on the road, the homes you drive by and the expensive restaurants in your area. Everyone does not buy on price alone. Yes, I agree that some people do, but not everyone. Decide if your product is the least expensive option in your market area and if it is, then sell on price alone and forget everything else. If it’s not, you need to choose and select your customers and then start selling value.

Selling value is not about selling features and advantages. It’s about finding out about your customer, and what is important to them. Many of the value items that are incorporated in your product may not have the same importance to them as other people might have. Selling value is about understanding the customer first, finding out their needs, wants and desires. From there, it’s easy to pinpoint the items of importance.

What makes you unique as a salesperson? What makes your company different? Why is your product better? Find out what your USP (unique selling proposition) is. Sit down with your team and list all the things that make you different. Make sure you target the items that make your product, company and you, an advantage to the consumer. If you make your USP about the customer, you’ll find the sales process will go a lot smoother!

For additional sales tips from some of the best sales pros in the country, check out “Monday Morning Sales Meeting” on www.BuilderRadio.com. Every week a new interview is posted. The meetings are up all week, then archived for future use.

Best of sales success!

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