

"Your price is too high!"

What is the buyer really saying? There are three types of money-based objections that look similar but are significantly different. This means there are different ways to respond to these objections.

The first type of money objection is the price objection. This includes a lack of money, insufficient budget, or low expectations. This is also known as sticker shock. A lack of money or low expectations does not mean your price is too high. It means the buyer doesn't have the money or budget or they didn't know what to expect. Your job is to help them find the money or correct their expectations.

The second type of money objection is the cost objection. Generally, this is the outcome of an internal campaign to reduce costs. Purchasing agents may interpret this as getting a cheaper price from suppliers. Your job is to identify how customers squander money with their existing systems and demonstrate how your solution provides a more cost-effective way to address their needs.

The third type of money objection is the value objection. The buyer may not understand your value or the difference between you and the competition. Your challenge is to reiterate your value added or differentiate your solution from the competition.

Before you answer a price objection, give yourself the benefit of a well-thought-out response strategy. Can you help the buyer find the money? Do you need to cost-justify your solution? Does the buyer need more information, especially why your solution is better? Never assume your price is too high just because someone else has that opinion.

From Tom Reilly's book, Crush Price Objections
www.TomReillyTraining.com