

How To Compete With Internet Pricing:

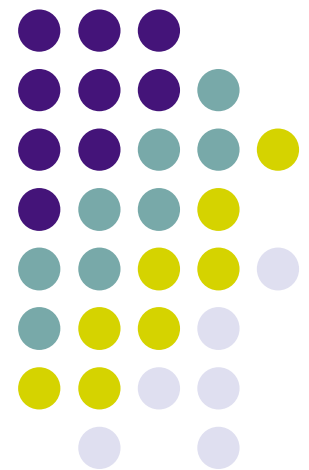
Set Your Game Plan!

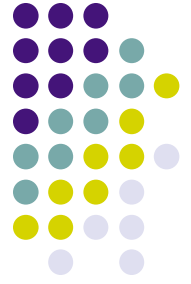
Danny Rocks

The Company Rocks

danny@thecompanyrocks.com

Copyright 2005 The Company Rocks

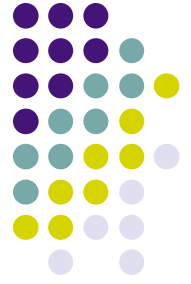




- “Starting today, companies either will let customer demands drive business models, or they will get driven out of business.”

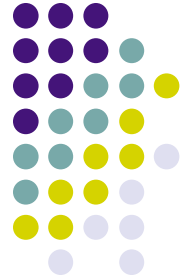
The Customer Revolution: How to Thrive When Customers are in Control – Patricia B. Seybold

Customers demand more because they know more



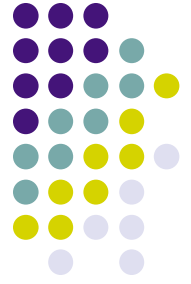
- Real-time information
 - Specialist information
- Convenient access
 - On their terms
- Pricing transparency
 - To set your prices
- For you to know who they are
 - And their preferences

With the value of your company on the line ...



- You can't let what your customers do
- And how they feel about your products & services...
- Remain a “mystery!”

What do customers value most?



 Knowledgeable salespeople

 Quality products

 Product availability

 Tech support

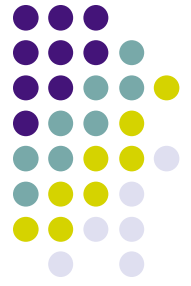
 Ease of doing business

 Product performance

 Follow-through

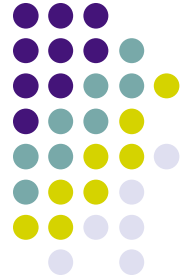
 Acquisition price

How to compete successfully



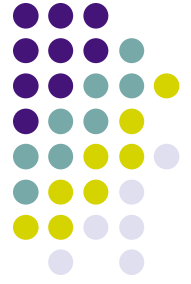
- Planning
- + People
- + Proposition
- = Price that Prospects are Prepared to Pay for your Products
 - And Produce a Profit

Know Your Competitors



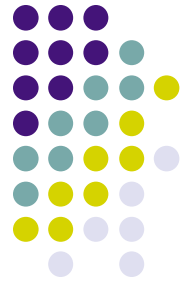
- Who do they attract?
 - Why?
 - Lower prices?
 - Bigger selection?
 - More advertising?
- Where are they vulnerable?
 - How can you exploit this?
- Gain the competitive edge!

But ... Concentrate on Your Customers

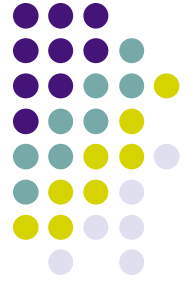


- What do they really want?
 - What they say vs. How they behave
- See your business through their eyes
 - Your most valuable asset
- Be attentive to their needs
 - Before & after the sale

Develop Your People



Copyright 2005 The Company Rocks

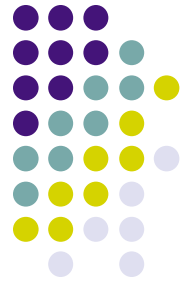


Train Your Staff

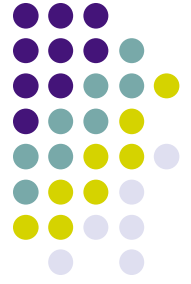
- If customers only purchased on price you would not need a sales staff
- You must commit to continuous sales training
- 75% of sales people cut the price when the buyer raises a price objection! *
 - Are they working for a commission or working to make you a profit?
 - Are they more sensitive to pricing than your potential customers?

* *“Crush Price Objections” – by Tom Reilly*

Listen to What Your Staff Says ... and How They Say It



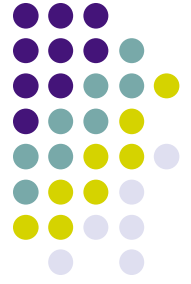
- Especially about “Price”
 - Most sales staff never mention price ...
 - Until the customer does
 - Some can not even say it
 - For fear of ...
 - Do they use phrases like
 - “Our usual price is ...”



Your First Two Sales



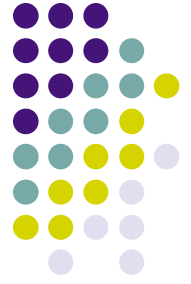
- To yourself
 - That your pricing decisions are correct
- To your staff
 - That your store's pricing decisions are correct
 - If they do not buy this ...
 - Fire them
 - Train them



Your Winning Game Plan

- If you spend more money on:
 - Quality, service & delivery
- And devote more time to:
 - Genuine customer service
- And devote more attention to:
 - Helping your customer
 - Generally doing the job right ...

“How to Sell at Margins Higher than Your Competitors” – www.wiley.com



Your Winning Game Plan

- It is almost always less painful than:
 - To cut your prices
 - And try to make it up in volume!
- If you cut your price 10% ...
 - You probably have to at least double your sales
 - To get the same volume you had
 - With a 35% Gross Margin!
- Learn to sell on some basis other than low price!

“How to Sell at Margins Higher than Your Competitors” – www.wiley.com