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In 2008 You'll Need to Focus on -Fighting Your Main Squeeze- By: Joseph C. Ellers

Pretty provocative title, eh? No, this article is **not** about spousal abuse, it's about your main sales "squeeze;" the margin squeeze. Thanks to the Wal-Mart-Chinese Axis of Sales Evil, we are now living in a society where everyone believes that they have the right to purchase what they want at prices that do not allow the supplier to remain in business. This phenomenon has moved from the consumer side to the biz-to-biz side very rapidly so now we all face it—no matter where we are.

Since that is so, we now have to figure out some ways to combat it. The best way is to recalibrate your efforts from "order-taking" to "proactive sales." Now, please do not get offended. I can hear you out there—what's he mean? I am a proactive salesperson now.

Okay, then, you need to be more proactive.

There are a couple of simple (but not easy) truths about the price question. The two most important are:

- You have to help the customer define the "what"
- You have to talk with the right "who"

You have to help the customer define the "what"

The textbook definition of order-taking is for a purchasing person to tell you what the organization needs and ask you to respond to two main questions: How much does it cost? And, when can I get it? This is where you have to be brutally honest with yourself and answer this question, How much of my business looks like this? Because if a lot of it does, then you are really on the order-taking side of the scale.

The salespeople who get the most business (at the best margins) are those who help the customer to define what they want/need. If you are part of this process, you are significantly better off. Look at the difference between having a customer tell you that they need 100 'whatyamaycallits' or having the customer tell you about a problem and asking what they might need to do to solve it. It looks a lot better for you after the or than before, right?

(Now, parenthetically—notice the parenthesis—there are customers who work with you under scenario two and then proceed to bid your solution out to the world. You are still better off than the first scenario where someone else has the inside track, right)? End of parenthetical comments.

You have to talk with the right “who” Little Cindy Lou Who, who was not more than two, we're not talking about here...with all due respect to Dr. Seuss.

Again, the salespeople who win the most at the best prices pay careful attention to who they work with in the customer's organization. There is real value in presenting your value to people that care about value. Who are the people within your customer's organization that value some of the product attributes or the values added by you/your organization—in addition to the value placed on the product/service, itself.

Remember the sales equation: Product/service + something else = opportunity. If you cannot find people who have an interest in something more than just the product or service, itself, you are doomed to spend a lot of time fighting the price objection.

In this case, I would rather take the reverse of the old Tareyton cigarette ads. I'd rather switch (my approach) than fight (the price battle).

To get additional sales, sales management and planning information from Joe Ellers, see the Joe Ellers / GAWDA page at:
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