

SALES TRAINING: HOW TO WIN A PRICE INCREASE



OPENING PRICE

Start off with a more ambitious price to give yourself room to retreat. Round numbers invite attack. Factor in your customer's culture. Anchor your offer.



BATNA

Whoever has the better no-deal alternative has greater power. What's the probability that your customer will switch to a competitor? Deliver on your promises and fix any problems before negotiating.



WHY?

Since you're going to be asked why you're increasing your prices, be ready with your research. Choose 1 or more of the 7 paths carefully, and beware the pitfalls.



FRIENDLY FIRE

What happens if the customer escalates above your head? Well-intentioned leaders typically agree lousy deals. Brief your manager, and remain involved



BETTER THAN A PRICE INCREASE?

If your customer was prepared to increase your revenue or reduce your costs, would you be prepared to reduce or forego your price increase?



HIGH-LOW LEVERAGE

To understand the leverage and margin your value proposition should enjoy, step into the shoes of each of your customer's decision makers and ask what they value the most.



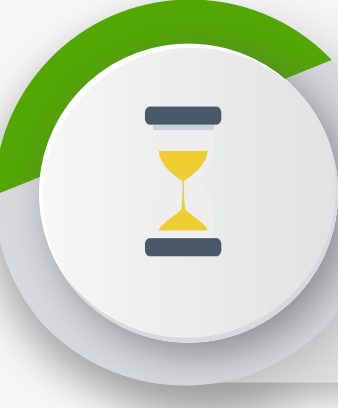
LOSS FRAMING

Talking about the loss your customer risks facing by not buying your product or service is far more likely to lead to agreement. Too many in sales talk only about features, benefits, and the value to your customer.



THE RFX THREAT

Figure out the probability of the buyer being willing and able to put your business out to tender and of switching. Consider not participating, discontinuing supply, and offering to write your buyer's RFX questions for them.



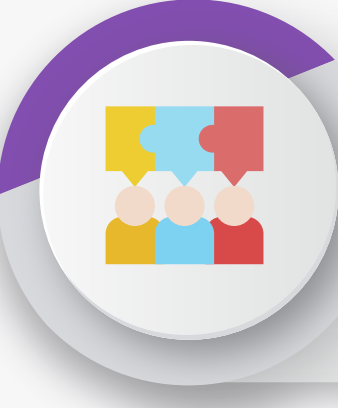
TIMING

Give your customer written notice of your price increase as far in advance as practically possible.



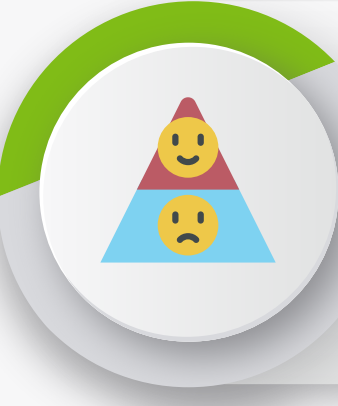
BUYER OBJECTIONS & RESPONSES

After putting your customer on notice that you're increasing your prices, you may need to conduct most or even all of your negotiations in writing. Be prepared—using our 15 responses and your own.w



DON'T BLINK, COLLABORATE

Remain resolute and respond promptly. Collaborative language costs you nothing and softens the blow.



NEGOTIATE WITH LEADERSHIP

Whether you're the sales manager or sales professional, calculate the motivational impact for all scenarios.



ARE YOU CONFIDENT?

Your customer will be responding to your level of confidence. Try taking negotiation training to get match-fit. Or practice role-playing with colleagues. Visualization is effective for programming you to feel more confident.

