

# Survival Selling

## How We REDUCE Costs to INCREASE Sales



By Scott O'Neill

In my 20+ years as a garage door professional, I'm humbled by today's business climate. Making a sale today is much more complicated. It's as though everything I've learned has gone right out the window.

Many other factors are compounding the complications of selling today, such as:

- Stiff competition
- The changing and evolution of garage door products
- Plummeting real estate values
- Job security issues
- Uncertain revenue sources on all levels (even state jobs and pensions)
- Environmental concerns
- The rising cost of doing business

### Negotiating Before Negotiating

So how do we make a sale in these trying times? I've found some success in negotiating—not just at the time of making the sale, but in all facets of business. This puts us in a better position to negotiate with that end client.

For example, we recently negotiated lower prices from our mailer provider. I simply told our rep, "We've seen a decreased amount of calls coming from the last mailing." She quickly replied that she would get us another 15 percent discount for our next mailing.

Another higher-end mailer provider gave us an additional mailing zone for only 25 percent more. That gave us twice the number of homes, yielding more leads and a lower cost per lead.

### Bartering Is for Other Countries?

Our current economy has created a changing demographic—at least here in California. Many clients here now come from countries that barter as an everyday practice. Regardless of foreign influence, I think we're all facing customers who are pushing harder for a lower price.

Two decades ago, selling was much simpler. If someone asked for a deal, my approach was typically, "Well, this is our installed price. I don't have room to reduce it." Now, we *have* to offer a clear reason for the price we're asking.

### Dealing With Deals

Alternatively, we could start with a price for a garage door that is intentionally higher. Then we would have some wiggle room when we close the sale. However, that approach often leads to a bad-taste experience like the ugly stories of slippery tactics of car salespeople.

So instead, I now take the matter-of-fact approach from the very beginning. I start by asking questions to determine their needs, and I make sure I'm selling the right product to meet those needs.

### Demonstrating Value for the Client

After I learn what matters to the client, I clearly convey that we're making the best deals now, in light of this tough economy. So, before they ask, I often tell clients how we do this. For example, here's how it worked with Betty, a client last week.

"During these last two years, we've seen big changes in the economy," I said to Betty.

"Have you noticed how much your home value has decreased?"

She quickly agreed: "Are you kidding!? My neighbor sold his house for \$475,000 two years ago, and my neighbor next to him just put their house on the market for \$290,000. I get that!"

### Streamline the Pipeline

This led me to the next point: "We get it, too, and so have our manufacturers, advertising partners, and other businesses that sell us raw materials and business supplies." I further explained that, since January of this year, I've negotiated better deals with many of these companies.

I was able to show her that we're working hard to reduce costs. Our priority is to increase *value* for her and still adhere to the quality standards that have built our firm's reputation for over three decades.

### Customers Understand

"That makes a lot of sense," she answered. "I've noticed the same approach at my grocery store, too." I agreed and named a few produce items that had come down in price over that last week. She completely understood.

In the end, I made the sale. Betty understood our approach; we made a reduced-margin sale and still made our bottom line responsibly.

"After all," I said, "we want to be here to serve you in the future." She happily agreed. ■

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