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How to Handle Price Objections

Price objections are rarely really about price at all

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A lot of people get stumped the minute someone says, "Oh, I think that's too expensive," but price objections are rarely *really* about price at all. Many of the people who get this objection are simply delivering monologues to their prospects. They're boring them and making them uncomfortable - and a price objection is an easy way for the prospect to put an end to, the conversation. Then, since the Networker doesn't know what to say next, they "shut up."

Prospect wins.

The thing you need to remember is this: If you can identify the value of your product for someone, *even if they're broke,* they'll try to find the money to do it.

Your first step is to determine people's interest by asking casual questions. If the person is even mildly interested in your story, you want to find out what caused that little bit of curiosity - and if you give them a chance, they'll gladly tell you.

Be alert to whatever sparked their interest, because *that's the benefit they want.* If you're listening intently, you can then align your presentation to show them how they can get those benefits with what you have to offer. Since you're citing benefits they just told you *they* want, you know they will be interested and see the value.

Perceived Value

Most legitimate price objections are based on a lack of perceived value - the value of what you've presented doesn't seem equal to the cost involved. If there are other distributors presenting your products or opportunity successfully, then you can guess the price is probably fair. You can't change the price, but you can change the value your

prospect perceives. If you engage interest and strengthen perceived value, you'll dramatically decrease price objections.

You increase perceived value by focusing on what's "in it" for them.

Think to yourself. Why would this prospect specifically want to buy my product, get involved in my company? If you offer it from that standpoint, your prospect really "sells" herself. Presentations that focus on technical features and extraneous information will glaze her eyes over quickly.

To let a prospect comfortably *evaluate* the real value, it's also important to disclose your produce and opportunity's cost as early as possible in your presentation.

When I saw that people in my organization were getting many more price objections than I did, I analyzed what they were doing differently and I found that most people tell prospects the price at the very end of their presentation. Their logic was that if the prospect has already heard all the incredible benefits of their product or opportunity, when they hear the price, they'll realize it's worth it. I've found almost the exact opposite happens.

First, the prospect becomes more and more suspicious the longer the price is withheld. Then, when they hear the price at the end of the presentation, they need time to make a mental review of what was said to see if the price is actually worth it to them.

In order to buy the time to make that quick mental review, what a lot of people will do is say something like, "Huh... that's a little more expensive than I expected," or "A little pricey, isn't it?"

As they're saying that, they're mentally reviewing everything you said. It's jut an offhand diversionary comment really, but it sets you up to have to handle it as an objection.

Stating the price early lets a prospect evaluate value and

relative worth as the presentation unfolds.

Positioning Cost

There are many ways to handle an honest price. One effective technique is to break the price down to a daily cost and then compare it to common, even frivolous expenditures, saying something like, "For $2.00 per day - less than the cost of a cappuccino - you'll be doing something very positive for your health." By positioning the cost against something else, your prospect will see that your product is actually inexpensive compared with its value.

If you're marketing an environmentally friendly cleaning product, for instance, you can increase the perceived value by breaking it down to a per wash cost and positioning that small cost against the environmental impact they'll make by using it - "If everyone in the country replaced just one toxic brand with our brand, xxx amount of natural resources will be conserved," or something to that effect.

I now almost never encounter price objections, but if I do, I realize that I may not have created enough value, I'll say something like, "You're right, you could purchase a less expensive product. But it wouldn't be *this* product!" I then emphasize the key benefits separating my product from the others in the marketplace, highlighting those of particular interest to my prospect.

When you put it this way, you've added excitement. You've positioned your products as being "worth it," and very valuable. You aren't apologizing. They realize you're proud of what you have to offer. This is how I handle price objections, and I think if you try it, you'll find most people are pleased with your answer.

Please notice that the first thing I said was: "You're right." I say that for a specific reason. If I've encountered an objection, the first thing I want to do is make the prospect feel I really

understand his concerns and considerations.

I don't want him to feel as if he has to defend his views. Once a prospect has thought of an objection, she's in a form of disagreement. The fastest way to break down her resistance and start to bring agreement back into the conversation is to agree with *her.* You show her that you understand her position - let her know that you see why she might have that consideration. This is an important step in handling any objection. Saying, "You're right," or "I understand how you might feel that way," leads back to agreement. Challenging her, or making her feel foolish or cheap, just creates defensiveness.

A Price Objection With a Twist

Once in awhile, you get a slightly different type of price objection; it seems like the person can see the value of your product or opportunity, but he just honestly can't afford it. This can be a legitimate objection. There are a lot of people out there whose finances just don't allow them to do some of the things they'd like to do.

Maybe they're temporarily down on their luck. In my experience, there are some prospects you find in desperate circumstances, who, if you toss them a life preserver, will grab it and pull themselves out of harm's way. Others, however, prefer to remain treading water, trapped by what I call "poverty consciousness." They don't believe things can get better or that they can succeed. They've bought into a negative belief system and are suspicious of anyone who tells them to reach for higher ground.

You could spend your own money to get them into the business and all they'd do is spend their time showing you why it can't be done, "snatching defeat from the jaws of victory."

When you encounter someone in a desperate Situation - especially if it's someone you care about - it's tempting to try to help them out by paying to get them started. I've paid for a number of people to get involved in this business. Some have made it all the way to the top of the compensation plan, while others sat on the opportunity, letting failure become a self-fulfilling prophecy.

Over time, I've found that you're far better off with people who have enough interest and desire to find a way to *make it* happen. Here's a

quick sorting process that can save you a lot of heartache and a lot of wasted time and effort: When someone tells me he can't afford it, that he's in a bad financial situation, I tell him that's the exact reason he needs to get involved. If I feel he could be successful in the business, I tell him so. If he really wants to get involved in the business, I tell him I'll help him find a way to somehow pull the money together to make the first purchase.

"If you really want to do it, let's find a way to make it happen. If you do get the kind of results we've been discussing, you'll naturally want to tell people you care about. It doesn't take many people becoming involved in the program to earn enough commissions to cover at least the cost of your own product use.

If one of those people turns out to be someone we can work with, someone who becomes a business builder, you've created a new income source. You'll no longer be in the position of being unable to afford the things you want to do."

> ***Your prospect can see he needs to make some kind of change - he needs to do something to break the pattern he finds himself in. This way, you can start to lead him on a constructive path to actually making that change.***

There's No Obstacle Too Big

I've been in this business long enough to see many people who started out in complete poverty become very successful. A friend of mine who's one of the highest paid people in Network Marketing had to save for months to enroll in his company. Another man I know was recovering from a divorce, living in a basement, and had to borrow money from his mother to get started. He is now one of the top income earners in his company, and his story is an inspiration to thousands of people in his downline.

At regional rallies, I'm always impressed with how many people who've reached the top are single moms who were left in desperate situations.

It's wonderful seeing them standing up on stage knowing they're now in the top percentage of income earners in the country. Their success stories are so heartfelt, they bring tears to people's eyes, and once they're finished talking, there are few people in the audience who don't realize that they can do it, too.

I got a very touching phone call one afternoon from a young woman who attended one of my seminars. She. said, "Karen, I know you probably won't remember me. When I attended your seminar I was a mother on welfare. I wanted to believe I could do this business, but I was so scared that I'd hear you say something I wouldn't be able to do. But as I heard you talk, I realized I could do everything you were telling us. So I did, and I've just reached the top of my company's compensation plan. I just had to call you, because I want you to know that I've just gone out to the mailbox and opened the biggest check I've ever seen."

Another story that impressed me is about a middle-aged woman who lived in the mountains. She got an audio cassette in the mail and when she heard about the opportunity, she recognized that it was a chance to change her life. She saw the value, and although she was poor, she decided she was somehow going to do it.

She didn't have a lot of money to get started, but was determined to change her circumstances. She didn't even have a telephone, so every day she'd have to walk down the mountain to the nearest town where she set up her office in a phone booth - until her new business generated enough money for her to get her own phone. With that type of courage, determination and strength of character, she obviously made it to the top of the compensation plan.

That's a true story! What other type of business opportunity *can* so dramatically change the course of a person's life? Just because a *person* can't afford it doesn't mean *she can't* do it. Once she understands that she can, *she will* find a way.

The Final, Most Challenging Objection

This leads me to the most challenging price objection of all - it's what I like to call "your own objection." I'll give you a quick example.

There's a woman in my group who always, *always* ran into price objections. I'd give her all sorts of different ways to handle them, but they never seemed to work for her. She'd always come back with yet another new and unusual price objection.

One day I said to her, "I think you've got to look at the fact that this could be *your own objection.* I've given you every way to handle objections I know of, and it just doesn't seem to be working. What are your own price considerations? Take a look and call me back."

She called me back in a couple of days and said, "You know, when you first said that I was a little hurt. I just couldn't see that as being true, but I decided to give it an honest look." It turned out that this woman had spent a great deal of money on medical treatments. She'd been comfortable once but had used up most of her money trying to get well. In her mind's eye, the money she'd spent on her medical bills was this huge mound, and whenever she thought of the money she was now spending on our company's nutritional program, she'd visualize adding it to the top of that financial pile.

It would just be one more ineffective thing she'd had to do to get her health back. When a prospect said the program was expensive, she couldn't handle the objection, because in her heart she agreed with him. But when she really looked at it, she realized what she was doing, and that in fact, being on our program was one of the only things that had helped her - if she'd become involved sooner, she might not have spent all her money on medical bills. She now realized that the program was cheap at any price.

From that point on, she became "a bear" on price objections. There was no price objection she couldn't handle.

I've discovered often when people have a hard time handling objections, it's because they're harboring unresolved objections of their own. If you find yourself frequently confronting the same kind of objections, take time out to look closely at what you might still have hanging around in the back of your mind.

If you discover something, find a way to get done with it. Once you do, your inability to handle your prospect's objection will magically resolve.

Anyone can be successful in this business – it just takes courage and the determination to succeed. Sometimes finding yourself in the midst of adversity provides the fuel to stoke your determination. As an upline, one of the things I take most pride in is helping people break free of limitations. It can be like letting a bird out of a cage, because giving someone hope is no small thing - it can amount to giving them back their life.

> ***The most important thing to remember when you're out there talking to people is: Interest equals interest.***

If you're interested in people, if you care about what they think and want to help them, they in turn will be responsive and interested in you. You don't have to be a slick presenter to dramatically reduce price objections, just be yourself and paint the big picture – let people see the true value of what you're offering, then let them do the rest.

The good news is: They will.

Karen Justice is a cartoonist, a successful entrepreneur and has been one of the top earners in the Network Marketing arena. Her alter ego is a hormonally altered chicken with an attitude, who by the way is not aging gracefully. Karen is the author of *Barracuda In Bunny Slippers* and is a popular trainer and speaker. She's also the creator of

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