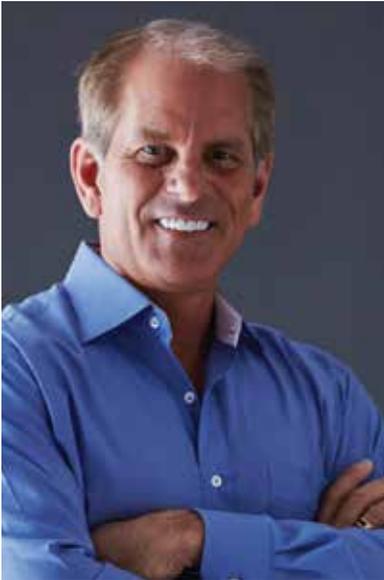


Valuing Your Services

Why Price Matching Online or Big-Box Retailers is Hurting Your Business

BY PETE BAKER



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When I owned my integration business, I was regularly asked how competitive my prices were, if my prices were similar to those online, if I would match the prices of big-box movers, and if it was better for the clients to purchase a device themselves and have me install it.

These are some challenging questions to answer, and the outcome of the conversation can have a dramatic influence on your profit margins. But, after all, a standard component in both sales and negotiations is dealing with objections and successfully navigating obstacles.

So, what are your options when faced with these questions?

First, you need to remember that you are not an online retailer or big-box store. You are a professional low-voltage contractor and craftsman (or craftswoman). Remind your prospective clients of the value you have to offer in contrast to the other options mentioned. Some of these benefits include the fact that you are an expert at interfacing with other trades that may be involved in the project, such as cabinetmakers, builders, architects, and electricians. Your input in the project will have a significant influence on the overall quality of the client's home. For instance, your ability to hide subwoofers, recess flat-panel displays, hide TVs behind mirrors, etc., can be the magic that turns a basic project into one that has a lasting positive impact on the homeowner's life for many years into the future. Be confident (but not arrogant) in your skills and experience

As a professional, your expertise has value and should not be provided for free!

Second, you are a professional "integrator." I would often tell potential clients that I would take full responsibility for their satisfaction or dissatisfaction with the user experience. I guaranteed the system would be easy for anyone in the family to use. Yes, this is a bold statement, but it came with a caveat: they had to give me the ability to define the components that would be used in the system (while, of course, respecting their budgetary guidelines). If products are being sourced from cheapo.com or some big-box store down the street—with no concern about the connections, control/integration, or signal-processing capabilities—it could have a very negative effect on the user experience.

"You have access to great products that big-box stores and online retailers do not. Use this to your advantage."

As a [insert number here]-year veteran of the consumer electronics industry, you have a broader knowledge and understanding of the available products and how they work (or don't work) together. Most importantly, you have access to great products that big-box stores and online retailers do not. Use this to your advantage.

As an integrator for 20 years, I always tried to offer products that were professional grade and custom focused. I am not suggesting that you oversell your clients—offering them something they will never appreciate or benefit from directly—but I am suggesting that you use products that offer better integration possibilities and an improved user experience through design features or components.

So, in response to the previously mentioned questions, I would say: "We are authorized dealers for all of the products that we offer, and purchase the products direct from the factory or through authorized channels. We sell our products at fair market value prices, suggested by the manufacturers. We cannot guarantee that we will be the cheapest

price around—in fact, we likely will not be the cheapest if you search long enough—however, as an experienced, professional contractor for the past [however many years], I guarantee that you and your family will receive expert-quality craftsmanship during the design and installation of your system, and exceptional service and support for many years ahead, long after the project is completed. We believe this service has value, which is why we have maintained such a long history of satisfied customers."

Happy selling!



It's important to answer client questions about products' prices with a thoughtful answer about your experience, craftsmanship, and service.