

ROD OSTHUS TEACHES

How to Handle Price Objections

LIVE STREAM

Table of Contents

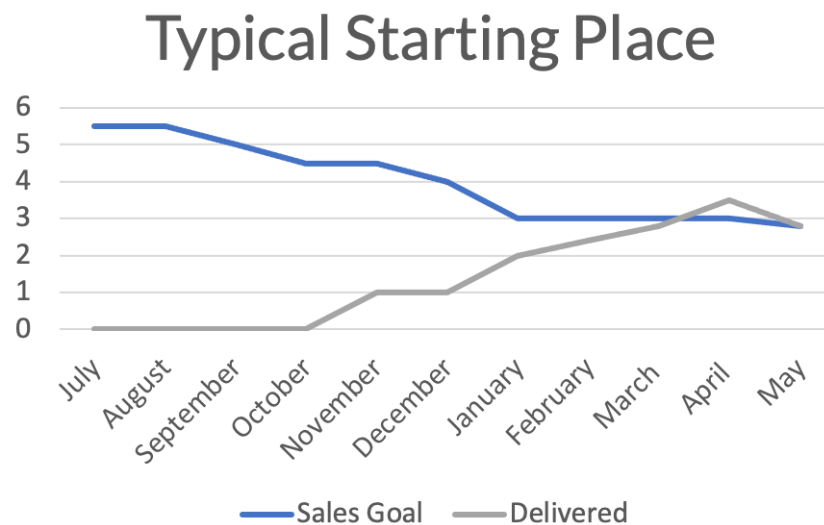
Introduction.....	3
Part 1	5
Part 2	8
Part 3	24
Summary.....	42

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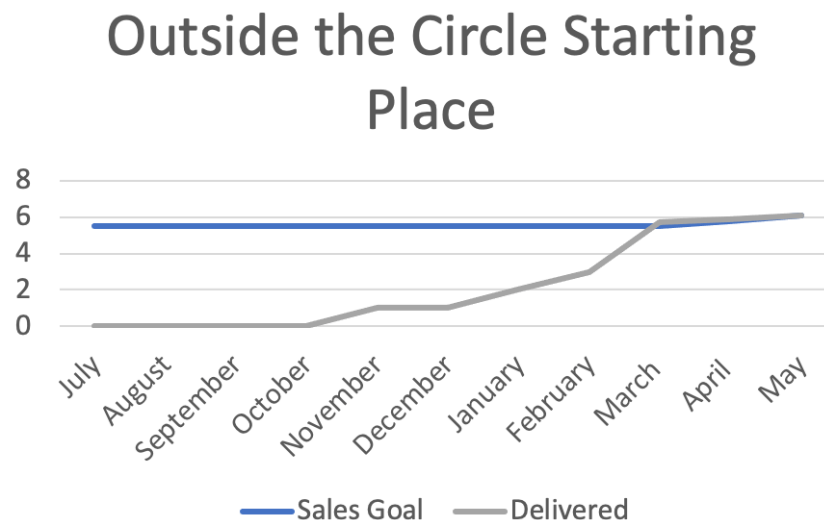
Introduction

“Change how your customers think about price by changing how you think about price.” –Rod Osthus

The chart below shows the typical starting and ending point for salespeople who can't handle sales-stopping objections, especially price. What do you see from this chart?



The chart below tracks sales reps who know how to handle any objection that comes their way. What do you see from this chart?



What is Your Single Greatest Obstacle in Selling?

Check one:

- Finding time to sell
 - Getting reliable product performance
 - Getting prospects and customers to order when you want them to
 - Having too many other jobs that interfere with selling
 - Lack of belief in yourself, your company, or your products
 - Having a hard time being different from competitors
-
-

“Price is what you pay. Value is what you get.” —Warren Buffett

Why is _____ everyone’s number one obstacle in selling?

True or False

A fair price is one of the most important elements needed to get a sale today.

What does it mean to _____?

Part 1

Important Background Information on Price

The standard method most companies use is basing their price primarily on

In a nutshell, what does that method of pricing represent?

What is the problem with that?

Averages ignore

Below are examples of variations that can affect the ability to get and keep a sale. Choose the option that would have the greatest impact on managing that variation and protecting the sale.

1. Product performance problems due to _____.

- a. Sales rep b. Office worker c. Replacement product d. New program

2. _____ requiring collection of additional money from the customer.

- a. Sales rep b. Office worker c. Replacement product d. New program

3. _____ from competitors.

- a. Sales rep b. Office worker c. Replacement product d. New program

4. _____ from competitors.

- a. Sales rep b. Office worker c. Replacement product d. New program

The above exercise demonstrates that:

→ _____

→ _____

The Price of Your Product is the Tangible Part of the Sale

It's the measurement most buyers use to create their perception of the _____ value you offer.

Price is an average of all of your value and not an absolute, it doesn't _____ every value you, your company, and your products bring to a buyer relationship.

Some values have greater _____ on the relationship than others.

Your price represents the level of _____ you offer customers.

Now you know why price keeps coming up as the number one obstacle sales reps struggle to manage.

→ _____

→ _____

→ _____

→ _____

→ _____

Why Price Cannot Be Part of a Sales Conversation

1. The price you charge for your products is based on your company's cost of being in business. Customers have no idea what your company's costs are, so how could they possibly be qualified to discuss or object to the price you are asking?
2. Your company's costs are not the same as your competitors, so how could you possibly be expected to have the same price?
3. Prospects and customers don't know all of the benefits that come with your price.
4. Of all the factors buyers need to analyze when buying your seed, price should not be one of them.
5. Price conversations take you Inside the Circle where both you and your customers lose.

Rate the effectiveness of your sales story when it comes to handling price

1-10 (10 highest, can't use 7)

1 2 3 4 5 6 7 8 9 10

Rod's Theory

In the minds of your best customers, price is always an issue. They may not mention it, ask about it, or object to it, but it's always part of the metrics they use to measure the value of your relationship with them. Don't believe customers ever stop thinking about the price they are paying you for your products.

But, as long as you are _____,
you won't hear price much, if at all.

What unique buyer experiences are you delivering this year compared to last year?

→ _____	→ _____
→ _____	→ _____
→ _____	→ _____
→ _____	→ _____
→ _____	→ _____

How have you been measuring the impact of those buyer experiences and their ability to control variations affecting the customer relationship?

- _____
- _____
- _____
- _____
- _____
- _____

Part 2

The Top Five Key Strategies to Eliminating Price from the Sales Conversation

1. _____
2. _____
3. _____
4. _____
5. _____

Strategy 1

a. Understand why product performance is not part of the sales conversation.

_____ is too high to use product as a differentiator.

Farmers don't buy product, they buy on _____.

Every product will perform to its potential when _____ are minimized.

Sales based on product puts _____ of the responsibility for performance on the product.

To succeed in the seed business, the focus must be on _____.

Portfolios don't focus on products, they focus on _____ for the farm.

b. Understand that farmers don't buy your product, so keep it out of the conversation.

A customer _____ from you the first time because of your product. He _____ about your product.

When you have _____ of a customer's business and he leaves you, it will not be because _____, it will be _____.

People buy on _____ not _____.

In a nutshell, the dialogue above says that it's the sales rep's job to choose products for a grower's farm. Here are a few reasons why:

You know more about your varieties than the grower does.

The grower will select a variety based on the _____.

You will select a portfolio of varieties based on _____.

The grower's goal is to _____.

Your goal is to _____.

c. Understand the role of portfolios in keeping product out of the conversation.

What is a Portfolio?

The sales rep is the only one who can assemble a portfolio. Why?

Portfolios keep the grower from focusing on or talking about varieties. How?

What is Cross-Selling?

Portfolios make cross-selling much easier. How?

Example

All of the following customers are planting the same so-called “big gun” variety “X” from the same competitor company. The goal is for each customer to plant at least three different varieties on each side of the MATURITY of the competitor’s variety. Each customer will also plant two of the same varieties the previous customer is planting with a new one. It’s called cross-selling two in common.

Customer no. 1 planting variety portfolio—A, **B, C** against “X”

Customer no. 2 planting variety portfolio—**B, C**, D against “X”

Customer no. 3 planting variety portfolio—**C, D**, E against “X”

Customer no. 4 planting variety portfolio—**D, E**, F against “X”

The following example shows the variation of the principle by including a big gun variety of your own in every customer’s portfolio (such as “A”) as part of the two in common with other varieties.

Customer no. 1 planting portfolio—**A, B, C** against “X”

Customer no. 2 planting portfolio—**A, C**, D against “X”

Customer no. 3 planting portfolio—**A, D**, E against “X”

Customer no. 4 planting portfolio—**A, E**, F against “X”

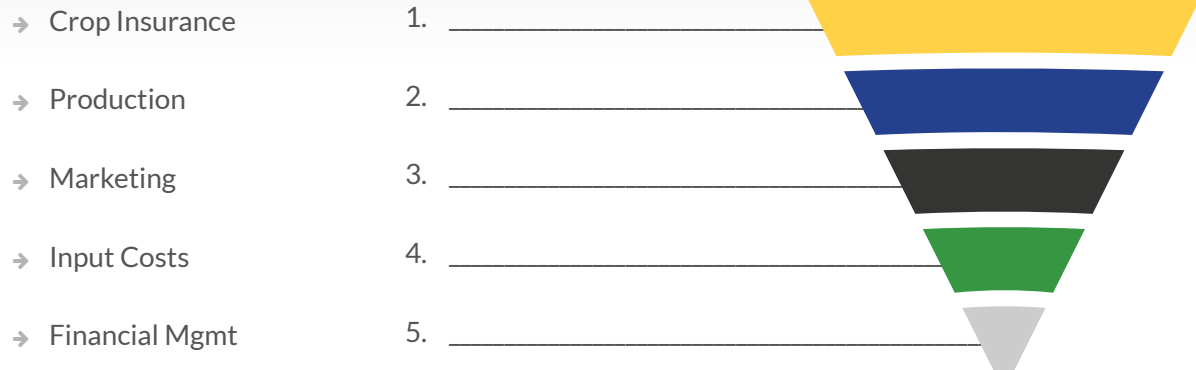
Strategy 2

Hard training, easy fight. Easy training, hard fight.

True or False

- T / F** Most salespeople fear having a price conversation with prospects and customers.
- T / F** Most salespeople don't believe they can be priced higher than their competition if they want to get the sale.
- T / F** When a prospect says, "You are too high priced" most salespeople believe they may, in fact, be too high priced.
- T / F** When a prospect says, "You are too high priced" most salespeople remain in the Circle and immediately start talking price with the prospect.
- T / F** Most salespeople aren't qualified to defend their price because they have no well defined buyer experience to offer the grower.
- T / F** Most salespeople don't realize the impact lowering price would have on their company and its ability to support customers.
- T / F** Market prices have no relationship to the price you ask for your products.
- T / F** When a prospect or customer says "You are too high priced" he is simply saying that You, the seller, are worth zero.
- T / F** When a prospect or customer says, "You are too high priced" his goal is to simply lower his cost of production.
- T / F** Cutting costs is the fastest way to lower production costs per unit produced.

Place the following factors in the funnel according to how it ranks in its ability to increase profit the fastest.



How to decide whether or not to reduce your price.

Current price/unit \$ _____ Reduced price/unit \$ _____

Net price reduction/unit \$ _____ multiplied by the average number of units purchased _____ = \$ _____ /customer loss multiplied by the total number of customers buying that product _____ = the total decrease in my territory revenue of \$ _____.

Current Price/unit \$ _____ Reduced Price \$ _____

Net Price Reduction/unit \$ _____ multiplied by the average number of units purchased _____ = \$ _____ /customer loss multiplied by the total number of customers buying that product _____ = the total decrease in my territory revenue of \$ _____.

How many new customers and how many units of increase will it take to make up for the loss in revenue and get back to even?

_____ units of increase and _____ new customers just to get back to where we were.

No company has ever gotten their sales or their money back. WHY?

A	B	C	D
-3%	+13.6%	+3%	-10%
-5%	+25%	+5%	-16.5%
-10%	+67%	+10%	-29.5%
-15%	+150%	+15%	-35.5%
-20%	+400%	+20%	-42.5%

Study conducted by Donald D. Juschartz, County Extension Director at Michigan State University

Strategy 3

Staying Outside the Circle is a tactic used to keep you in a leadership position and in control of the sale at all times.

The only way objections can be managed, and a positive outcome of the sales call assured, is when the sales rep controls the direction of the conversation.

These two concentric circles (one is inside the other) are the key to understanding how to control any sales conversation. If you're not in control, even the smallest objection can take the conversation in another direction, stopping the selling process. Not only does it leave the sale in jeopardy when an objection is not properly handled, but the entire relationship between the customer and the sales rep can be at risk. The result may be the eventual loss of a customer.

The two concentric circles below have one thing in common—both have the same center point. The difference between them is the length of their radius. It is that extra length of radius that carries value growers can't get inside the inner circle. That value also gives you the control you want.



Factors you need to remember about these two circles.

1. Every competitor you have and every grower you come into contact with lives inside the inner circle. They never leave that inner circle unless you pull them outside of the inner circle.
2. Every question or objection a grower may have comes from inside the circle.
3. Everything discussed inside the circle—weather, markets, data, product performance, programs, competitors, price, etc.—cannot help growers raise better crops or make more money. They only take the grower backwards.
4. Growers can only make progress in their farming operations and get what they want when they are getting value outside the circle.
5. The problem is that so few companies offer value other than what exists inside the circle.

Outside the circle, it shows what farmers really want. They don't just want more yield or more profit. What they really want is to pay down debt, rent more land, buy more land, retire debt-free, retire early, or expand the operation. But the only way they can get what they really want is by getting **Outside the Circle** value. That is value that has real dollars attached that are not inside the inner circle. The outer circle value is the value you need to bring to the relationship that no one else offers. The reason outer circle value is so powerful is because farmers can't put a price on it. That's why when you offer outer circle value, price is no longer part of the sales conversation.



One of the most powerful and controlling of all the Inside the Circle elements is PRICE.

Below is Outer Circle Value That Keeps Price Out of the Conversation.

Learning Value

- The Top 5 Factors to Produce a Top Crop
- Bushels per 1,000 Plants Concept
- Planting Portfolios versus Single Varieties
- Planting One Variety Per Field



Strategic Value

- Early Cropping Plans
- Planter Visits (first use visits)
- Harvest Visits (final use visits)

Each of the above values must contribute extra dollars the grower otherwise would not have had.

Learning Value

The Top 5 Factors

The ultimate purpose of the Top 5 Factors is to show growers they are totally responsible for growing a crop.

1. _____
2. _____
3. _____
4. _____
5. _____

What are the Top 5 Factors potentially worth to growers when they are followed?

Top 5 Factors = \$ _____/acre of value to a grower.

Every grower needs to follow the Top 5 Factors to Produce a Top Crop.

1. They remind growers that 100% of their yield is determined at planting
2. They allow the grower to ensure varieties perform to their potential
3. They protect product performance all year long
4. They minimize damage from the 1,000 variables
5. Without following these, maximum yields cannot be achieved

Bushels per 1,000 Plant Concept

The only thing that really matters in a field today is how many plants in that field are producing to their full potential. Plant population and row spacing have little to do with top yields if every plant in those areas is not producing to its maximum potential. Once more than 95% of them are producing to their full potential, it's time to consider raising population.

The easiest way to determine how productive any population, at any row spacing, is to calculate how many bushels are being harvested from every 1,000 plants in the field. Once that number is determined, you can compare it to the ideal and investigate to find out why that stand of plants may or may not be at that ideal point. Following is the formula and how to use it to calculate bushels per 1,000 plants. This is most easily illustrated with corn.

The formula at the right shows the bushels per 1,000 at a population of 30,000 ppa and 180 bushels yield per acre. The goal is to be at 8 bushels per 1,000 plants (not 6) which means the yield would be 240 bushels per acre.

Most corn farmers focus on getting a good stand of corn rather than making sure every plant comes up within 12 hours of each other. When all plants emerge in that timeframe, they have the best chance of producing to their full potential. Let's see what happens when a corn grower focuses on increasing bushels per 1,000 instead of just getting a good stand.

Say a farmer has a final plant population of 36,000 and has been averaging 216 bushels per acre. That means every 1,000 plants is giving him 6 bushels of corn, instead of the 8 bushels per 1,000 plants he should be achieving. That also means that only 6 out of 8 (75%) ears of his plant population is producing full ears. So, what would his yield be if 90% of that population was producing full ears (8 bushels) from every 1,000 plants? The answer is 288 bushels per acre (36 x 8). See the impact of focusing on bushels per 1,000 rather than plant population itself?

YIELD	=	Bushels	x	Plant Population
		1,000		1
180	=	(X)	x	30,000
		1,000		1
180	=			30,000 (X)
				1,000
180	=			30 (X)
				6 = x bushels per 1,000 plants

Planting Portfolios—a great strategy for taking product out of the conversation, thus, taking price out of the conversation.

Most salespeople and their customers get stuck focusing on a single “best variety” that happens to be at the top of all others at harvest. Therefore, they want to plant most, or all, of that favorite variety again. The problem with that line of thinking is that the exact environment and exact management of that variety which caused it to perform at the top will never again be repeated.

Additionally, farmers are not paid on how well a certain variety does or how a particular field yields. They are paid on how their entire farm yields. That’s why we only sell portfolios of products—three varieties or more to a grower and not a single best variety. The average performance of a carefully selected portfolio virtually always returns more profit to the farm than any single variety can.

Planting portfolios is the best strategy that a grower can employ to help ensure a successful crop every year.

Planting One Variety Per Field

The grower’s goal is to get every field they have to produce maximum yields. But many farmers do exactly the opposite. They either plant more than one variety in a field or, worse yet, split their planter so they can compare varieties. The only thing those strategies do is lower yield.

When it comes to fertility or crop protection, each variety is different and needs treatment at different times. As a result, one variety will win and the other will lose, which lowers the overall farm average. Farmers need to plant one homogenous variety in each field so that variety can be managed for maximum yield. This strategy will continue to demonstrate your value (over the competition) to customers and will keep price out of the conversation.



Strategic Value

Pre-Harvest Cropping Plans = \$_____ /acre of value to a grower.

Every grower who develops his cropping plan prior to harvest has a significant profit advantage.

1. Removes the emotion from the process, resulting in a better plan
2. Treatment of fields in previous year—weeds/tile/tillage etc.
3. Preplan and order crop inputs
4. Early marketing of the grain that will come from the new cropping plan
5. Match the right fields with the right varieties

Planting visits = \$_____ /acre of value to a grower.

How much value can you deliver by being there at planting time?

1. Planting depth—every seed emerges within 12 hours of each other
2. Planting speed—every seed has uniform spacing and depth
3. Following the variety-by-field plan
4. Ensure your seed meets the grower's satisfaction
5. Remove product bias from the grower's mind
6. Set the date for next year's cropping plan

Walking fields = \$_____ /acre of value to a grower.

How much value do you deliver because you prevent problems during the growing season while keeping the grower focused on the yield goal for each field?

1. Focus on Factor no.5—post-planting management: diseases, insect damage, plant nutrition issues, timing issues
2. Enhances the relationship

Combine Rides = PRICELESS

Your products are performing right in front of the customer and you need to be there.

1. Evaluate the grower's progress toward thinking like you
2. Evaluate changes that need to be made in next year's cropping plan
3. Finalize next year's plan
4. Strengthen relationship
5. Prospect for new customers

The following chart shows the kinds of dollars each of the listed Outer Circle Values offer growers. It also demonstrates how much you should be charging for your seed when adding the Outer Circle dollar value to actual seed cost. The numbers are eye-opening.

SERVICE	VALUE
Top 5 Factors	\$100-\$250
Cropping Plans	\$30-\$60/acre
Planter Visits	\$30-\$120/acre
Walking Fields	\$30-\$120/acre
Harvester Rides	Priceless
TOTAL	\$190-\$550/acre
Add Retail Price Of Your Seed/Acre	\$120/acre
Total Value Per Acre You Offer	\$310-670/acre
Total Price You Should Be Charging	\$595-\$1675/unit

Strategy 4

Customer Experience (Relationship) Value

- Implement the PRO strategy
- Seed delivery
- The winter field visits

The PRO Strategy

PRO is the marketing to sales sequence. The “P” stands for perception, the “R” for relationship, and the “O” for on-board and order. If you attempt to get a sale without raising perceptions first and creating a relationship, price will come up before you get to the “O.” The goal of raising perceptions is to get a prospect to perceive that you have value to offer. Once they perceive there is value, they want to seek that value and that develops into a trusting relationship. Once both perception and relationship are built high enough, the prospect or customer wants to utilize that value and mentally comes mentally on-board and orders from you. The PRO Strategy is the all-important sequence that positions the value you offer in the minds of prospects and gets them to buy.

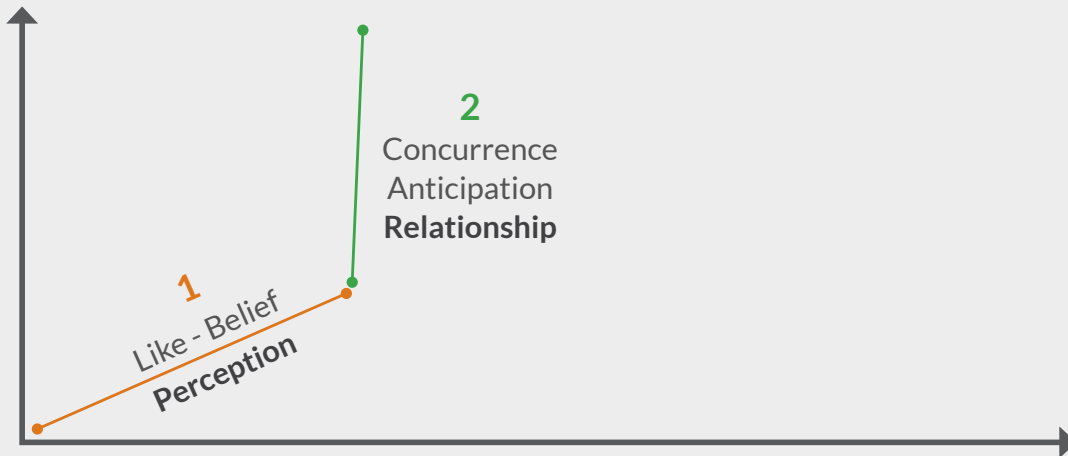
Step 1: Perception (Perceived Value)

The goal is to raise positive perceptions as fast as possible.



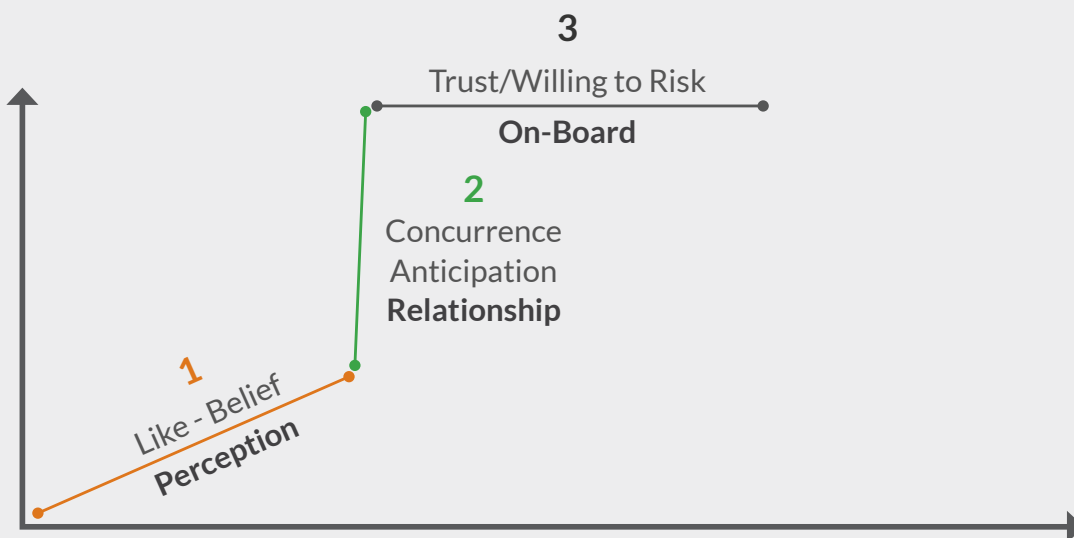
Step 2: Relationship (Seeking the Value)

The goal is to build a strong relationship as fast as possible.



Step 3: On-Board/Order (Utilizing the Value)

The goal is to get a prospect or client on-board as fast as possible.



Seed Delivery

Seed delivery is much more than shipping seed to customers. It's a key part of the entire buyer experience. Seed delivery is not the final step in the sales year, instead it's the first step in the customer relationship that kicks off the new sales year. That's right. The new selling season begins when your seed is delivered to your customers. So many emotions come together during seed delivery which is why it's such an important part of the buyer experience.

When done right, it completely prepares both the seller and the customer for the upcoming growing season. The problem is that most sales reps don't use this key time to their advantage.

Two primary events take place during the seed delivery contact. First, the variety-by-field plan is reviewed one last time and finalized. In addition, yield goals for each field are reviewed based on bushels per 1,000 plant targets. Second, customers are given a calendar of events showing what they can expect from the sales rep for the entire upcoming season.

The grower becomes excited and looks forward to the upcoming spring, while you have secured your order or crop plan from being pilfered by a competitor.

Seed delivery plays a huge role in demonstrating Outside the Circle value to customers which keeps price from ever becoming an issue.

The Winter Field Visit

The Most Under-Used, Most Impactful of All Field Visits

This field visit is the most unusual, yet most impactful of all the field visits a sales rep can conduct. No customers expect to be invited to visit their fields in the wintertime. After all, what can they possibly see?

Well, it's not what you and your customer see—it's what you don't see. That is, virtually everything you talk about will come from the eye inside the customer's brain. They will tell you more about a field by visualizing it than they would if they were being distracted by a growing crop.

This field visit takes place two to three months prior to planting, in the winter, during what I call the "hell time" of the selling season. It's when your customers are being pursued by competitors offering them outlandish, special deals and trying to get them to take the deal and cancel the orders they already had in place.

This is also the time of year when farmers have extra time on their hands to question the plans they've already made. This is the time of year when many farmers begin second-guessing decisions they made earlier in the season and start thinking about ways to save money. Here we go with price again. It's

imperative that sales reps get to their customers during this time of year to refocus their minds on the goals they set with you and the extra value you bring. It's the time to get growers thinking about doing everything they can to achieve their yield goals and not become distracted by so-called deals.

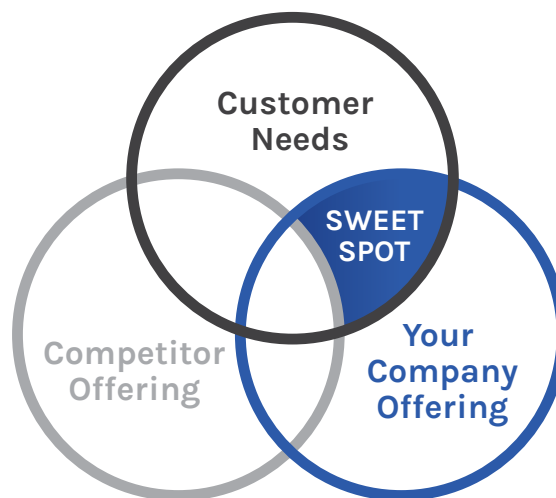
The winter field visit is not just a powerful, unique buyer experience. It's also one of the best strategies to defend against price before the season ever starts.

Strategy 5

"Yes, it is true, defense does win championships. But I've never won a title when we didn't score." - Steve Spurrier

The goal of the Buyer Experience is to Stay in the Sweet Spot where you meet grower needs and competitors can't touch you.

Your no.1 goal is to become highly trained in the art of delivering a true buyer experience, which results in 100% customer retention.



Part 3

Practice

The fastest and easiest way to get Outside the Circle once you are Inside the Circle is to ASK A QUESTION.

Below Are the Three “Go-To” Questions You Must Ask Growers Whenever They Take You Inside the Circle.

These questions will take you Outside the Circle and put you in control of the conversation.

1. Where do you want to take your yields next year?
2. What’s your plan to get there?
3. What’s keeping you from getting there?

The magic in these questions is that growers can’t answer any of them. These questions take them completely Outside the Circle and put you in total control. In the following scripts, watch how when using those questions, the conversation shifts from price and never returns to price.

Note: Very few salespeople take time to write out their sales approach and their sales story word-for-word. They don’t bother creating scripts to practice before making sales calls. As a result, prospects or customers commandeer the conversation and the sales rep loses.

Don Miller, author of *Building a StoryBrand* and numerous other books says, “A script is intended to give you your sea legs.”

Scripts are simply a template—a guide to follow until you get your sea legs. When you first start creating a story, it’s often hard to know where to start. Scripts are great to practice with and once you get the hang of it you can create your own if you want, or you can create scripts very similar to the ones I give you. Following are a couple of scripts on how to handle the price question or objection with a grower.

Hot Potato Practice

We’re going to practice making responses to questions or objections almost automatic. Most salespeople can’t win at hot potato because they don’t practice enough to make their responses instinctive and automatic.

In hot potato, you have two seconds to take what the farmer says to you, get back into control, and lead him in a new direction.

For example, how would you respond in 2 seconds to:

- I can buy the same variety \$20 cheaper.
- What's your price?
- You're too high priced.
- I have all of my seed ordered.
- Your variety got beat by 10 bushels.
- I'm not ready to order. I don't know what I'm going to do yet.
- I want a specific technology that you don't have.

Start with remembering your number one goal when a question or objection comes your way:

That is to:

a. _____

b. _____

Practice Questions or Objections

1. I can buy the same variety \$20 cheaper.

Your response: _____

2. What's your price?

Your response: _____

3. You are too high priced.

Your response: _____

4. I have all of my seed ordered.

Your response: _____

5. Let me stop you before we go any further. How do I know this conversation is going to be worth my time? What is your seed going to cost me?

Your response: _____

You need to practice hot potato to hone your ability to quickly and easily get out of the circle and regain control. Once you have perfected hot potato, write the rest of the story to achieve a goal for the conversation. The following scripts demonstrate this strategy.

A prospect says, “You’re too high priced.”

Why do prospects tell you that?

- To take you Inside the Circle where they feel comfortable and in control.
- That’s their default because they know they always win Inside the Circle
- Also, you allowed that comment to come up because you didn’t take care of it early in your one-line bio.
 - Ex: I’m Rod, Rod Osthus, High Yield Specialist with the RC Thomas Company. I specialize in helping farmers increase corn yields by 10% in one year by following the Top 5 Factors to maximize yields.
 - What are the Top 5 Factors?
 - First, let me ask you a question, how long have you been raising corn?
 - 20 years.
 - What kinds of changes have you made since you’ve been raising corn that have had a real positive impact on your yields?
 - Well, it’s been hard, I’m doing everything I can, but the weather hasn’t been cooperating.

Salespeople need to realize that most of the questions and objections you get are designed to reposition the prospect or customer to put them in control of the conversation. That way, they can gauge your level of control and the value you are bringing to the conversation. Since I know that, I know I need to take back control.

Response Option No. 1:

A prospect says, “You’re too high priced.”

You: Your goal is to lower the cost of every bushel you produce isn’t it. *(not a question, it’s a buy-in statement)*

Grower: Yes, it is.

You: What’s the fastest way to do that?

Grower: Cut costs which is what I'm trying to do.

You: No, that is the least effective thing to do. The fastest, most effective way to lower the cost of every bushel and make the most profit is to increase production. **Where do you want to take your yields next year?**

Grower: I don't know, it depends on the weather.

You: Well, let's take weather out of it for a minute. Do you mind telling me what your APH is right now?

Grower: It's around 200.

You: If you had your way, where would you realistically like to take your average yield?

Grower: I love to hit 225.

You: Ok, great. **What kind of plan do you have to get there?**

Grower: I don't know. Up my population, I guess.

You: How thick are you planting now:

Grower: I'm at about 35,000.

You: So, your living population is about 34,000, is that right?

Grower: Yeah, that's pretty close.

You: What if I told you that you're leaving over 70 bushels of corn in the field every year?

Grower: I would say you're crazy.

You: We don't use plant population or row spacings to measure yield anymore. We use a concept called bushels per 1,000 plants. Have you ever heard of the concept?

Grower: No, I haven't.

You: About 25% of your current plant population consists of runt pigs—plants not producing to their full potential. All we need to do is find out what is causing you to have all of those runt pigs, get 95% of your plants to give full ears, and your yields will jump to the levels they should be at. Your yield goal at that population should be 272 bushels per acre.

Grower: Really?

You: If you decide to work with us, the first thing we would do is look at your fields and set some new yield goals based on bushels per 1,000 and not bushels per acre. Once we do that, I will put together a crop plan for each field. We normally start with 1/3 of the grower's acres. Some guys want to do more than that the first year, once they see what we do.

Grower: Ok

You: I will also be at your planter in the spring to make sure everything is going according to plan and we're following the Top 5 Factors to Produce a Top Crop.

Grower: What are those.

You: We'll talk about those in detail, if we decide to work together. I will also be in your fields with you 4-6 weeks after planting to make sure we're on track to your yield goal. We'll start next year's cropping plan during the summer and I'll ride your combine in the fall.

Grower: Wow, you are pretty serious.

You: We take working with farmers very seriously, that's why we get such great results. Are you ready to get started?

Grower: Yes, I am.

You: I have tomorrow and Wednesday mornings open at 8 am to look at your fields. Would one of those work for you?

Grower: Yes, let's do it tomorrow.

You: Great. Ok, I will see you tomorrow at 8 am. Could you bring your field maps with you?

Grower: Ok, will do.

You: Thanks for your time, we'll see you tomorrow.

Response Option 2:

A prospect says, "What's your price?"

You: Your goal is to take care of your two biggest worries in farming isn't it.

Grower: What do you mean?

You: You want to control your input costs and your market prices don't you.

Grower: Yeah, I'd love to do that. I can't control markets, but I can control what I spend.

You: That's right. So, what is the fastest and most effective way to control input costs?

Grower: Grow more probably.

You: Right again. **Where do you want to take your yields next year?**

(Continue as in Option 1)

Response Option No. 3:

A prospect says, “What’s your price?”

You: I don’t know what your price will be right now. But if we’re a fit and decide to work together, price won’t be an issue. Your goal is to lower the cost per bushel on every bushel you produce isn’t it. *(not a question, it’s a buy-in statement)*

Grower: Yes, it is.

You: That’s what we do with growers by helping them take their yields to new levels.

Grower: How do you do that?

You: Our growers follow the Top 5 Factors to Produce a Top Crop.

Grower: What are those?

You: They are the key to getting top yields and most farmers don’t know what they are.

Grower: What are they?

You: If we decide to work together, we will go over those in detail. I will just say this—once you work with us, you will never bring up price again. We will continue to lower the cost of every bushel you produce by levels you never thought possible. Are you interested in finding out more?

Grower: Absolutely.

You: Ok, great. The first thing we’re going to do is go look at your fields and set some goals based on bushels per 1,000 plants. Do you know how many bushels per 1,000 plants you are averaging now?

Grower: What do you mean.

You: How thick are you planting right now?

Grower: About 34,000, emerging about 32,000.

You: Ok, do you mind telling me what you’re averaging for yield?

Grower: No, that’s fine. We’re averaging about 190 bushels per acre.

You: You are right at 6 bushels per 1,000 plants—you need to be at 8. If you were at 8, 95% of your plants would be producing full ears and you would be harvesting about 256. You’re leaving almost 70 bushels of corn in the field every year.

Grower: What?

You: About 25% of the plants in your field are runt pigs—not producing to their full potential.

Grower: One of the first things we do is fix that problem, then we design a cropping plan where we assign specific varieties to specific fields to achieve 8 bushels per 1,000.

You: Are you ready to get started?

Grower: Yes, I am. Let’s go look at some fields.

Are You Worth the Price You're Asking for Your Products?

How do you determine the value you bring to customers when they buy your products?

- Have you identified that value and determined your value in dollars and cents?
- Are they improving production because they're working with you?

How do customers measure the value you bring them when they buy from you?

- Are they learning more by working with you versus your competition?
- What are they changing because they are working with you?

How does the percent of needs bought indicate the value you bring to customers?

- Indicates the customer feels he is making progress.
- Indicates the relationship is growing stronger.

List the Outer Circle values you are bringing, or plan to bring, to customers.

- _____
- _____
- _____
- _____
- _____
- _____

One More Example: A Good Customer Calls You on the Phone

Customer: This is Joe Smith. I wanted to call you and tell you that I have the opportunity to save almost \$40,000 on my seed bill this year if I buy from Acme compared to taking what I have ordered from you. That is quite a savings and I'm seriously thinking about taking it. But first, I wanted to call you and give you a chance by asking you to tell me, honestly, why I shouldn't take that deal.

You: You should never take that kind of deal, Joe, because it is no deal at all.

Customer: What do you mean?

You: That deal could end up costing you hundreds of thousands of dollars, in terms of dollars per acre. Let me ask you a question Joe. What am I worth to you?

Customer: Gee, I really have no idea. Right now, it looks like you're costing me an extra \$40,000.

You: You buy 500 units from me every year, right?

Customer: Yep.

You: You say you can save \$80 a unit, right?

Customer: Yes.

You: You get 2.5 acres out of each unit, don't you?

Customer: Yeah, about that.

You: That means you will save \$32 per acre. Is that about, right?

Customer: Yes, and that's a lot of savings just on seed costs.

You: Let's see, \$32 per acre at current market prices, that's about 8 bushels per acre that you would need to make up to pay for the difference if you continued to plant my seed, right?

Customer: What if your corn doesn't yield that extra 8 bushels?

You: Follow me on this Joe. I asked you what you thought I was worth to you and you didn't answer?

Customer: Ok, but I really don't know.

You: Yes, you do. You told me last fall. Remember when we first started working together and I was at your planter the first year. Remember what I asked you do to?

Customer: Yeah, you told me to slow down and plant a half inch deeper.

You: And what happened Joe? Your bushels per 1,000 went from 6 to 7, which increased yield on your 1,250 acres by over 30 bushels per acre. At \$4 per bushel I made you \$150,000 in my 10-minute stop.

Customer: Yeah, I remember now.

You: You also told me that I made you more than 30 bushels per acre by telling you to spray your fungicide later than when you were going to? You were all set to do it earlier, right?

Customer: Yeah, I was.

You: You even had the sprayer ready to go when I came by that day and I asked you not to do it. But your neighbor, who we also talked to that day, sprayed anyway and lost nearly 40 bushels per acre on the field because he sprayed too early. Isn't that right, Joe? Another 30 bushels per acre at \$4 is another \$120,000. It looks like I helped make your \$270,000.

Customer: Yeah, I guess you did.

You: You planted some of that competitor's corn last year too didn't you. He's the one offering you the deal now.

Customer: Yep, 200 bags.

You: Did he help you make that call? No, he wasn't even around, was he? Joe, I continue to help you make more money every year because of what I know, and you need to put a value on that knowledge. It's not a matter of how much you can save on seed—what matters is how much more you can harvest at these terrific market prices and how much more money you can make isn't it.

Customer: Yes, it is.

You: You need me to help you do that every year, but if you decide to take a deal like that, I am not going to be there to help you with those really important decisions. I'm worth a lot more than eight bushels per acre, aren't I?

Customer: Well yeah, I guess you are. It just sounded like a great deal.

You: I understand how you feel Joe, but it is not a good deal for you at all. In fact, it's the worst deal you could make in your operation for next year. I will be over this afternoon to go over your cropping plan with you again and reconfirm everything to make sure you're on track to raise the best crop possible and to help you make more money. Being a top producer is not about saving money on seed—it's about making the right decisions and we need to make those decisions together. Will this afternoon at 1:00 work for you, Joe?"

Customer: Yeah, that would be great. Thanks a lot.

You: Thanks for the call Joe. I appreciate it very much. I will see you at 1:00.

Self-Study—Hot Potato Practice

Complete the entire page.

Question or Objection _____

You: _____

Question or Objection _____

You: _____

Question or Objection _____

You: _____

Question or Objection _____

You: _____

Question or Objection _____

You: _____

Question or Objection _____

You: _____

Question or Objection _____

You: _____

Question or Objection _____

You: _____

Question or Objection _____

You: _____

Self-Study

Write the entire dialogue to the question or objection:

Question or Objection _____

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Prospect: _____

You: _____

Prospect: _____

You: _____

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Prospect: _____

Summary

Follow This Step-by-Step Plan to Confidently and Effectively Handle Price

Ensure That Price Will Never Again Be an Obstacle to Sales

1. BELIEVE

- price is the lifeblood of your company and has no place in a sales conversation
- there is never a price problem, only a perception problem
- everything you do must bring value which negates the need to talk price

2. Create and utilize Outer Circle value

- it will satisfy customer needs and provide unique experiences

3. Keep product and product performance out of the conversation

4. Use the 3-Key Questions

5. Write a word-for-word sales story

6. Practice and role-play until you never get it wrong

Questions?

LIVE STREAM

**“We don’t rise to the level of our expectations,
we fall to the level of our training.”**

-ARCHILOCHUS

