



**Managing
Price Objections
Workbook**

How to Handle Price Objections

The most common price objection, regardless of industry, is a variation of the words: “your price is too high!” This workbook contains nearly thirty examples of proven responses to this very common price objection designed to open up the conversation and identify the underlying reasons for the objections. Consider how you might incorporate some of them into your sales conversations to more effectively handle price objections to win more business at higher prices.

In complex selling situations that require a consultative approach, a short response to “your price is too high” may not be effective 100% of the time. Whether your selling environment is short-cycle, highly transactional, and straightforward or longer, complex, and more consultative, the best approach to handling price objections is not necessarily (just) about following a script, but rather following a process that is rooted in being prepared and asking effective questions:

PREPARE before the prospect meeting for anticipated price objections to brainstorm questions that could help uncover pain points and fundamental buying motive. Recognize that price objections are a buying signal. Prospects won't waste time objecting to price if they have no interest in your solution. As such, how can you identify the basis of that buying signal?

LISTEN actively in the client conversation. Don't think ahead to what you are going to say or ask, and don't think back to something that happened earlier in the conversation. You may miss important cues that can be used to diffuse price objections. It's a good idea to take notes and jot down questions.

PAUSE before responding. Give yourself a moment to establish a mindset of confidence and curiosity, not one of nerves and fear. Collect your thoughts and prepare your questions in your mind. Sometimes prospects will offer additional information during a short pause that will further inform the conversation, and sometimes they even walk back or soften the request.

ASK questions that you have prepared or ones that occur to you based on what you are hearing. Questions are a salesperson's superpower. The best answer to a price objection isn't an answer, it's a question. Don't take prospect feedback at face value. Good, thoughtful questions. “Tell me more about that” is a good way to get more information if you get stumped.

RESPOND to the price objection by addressing the obstacles that still remain after you've asked enough thoughtful questions. Summarize the situation and clarify if you've missed anything. Use a tone of expertise of knowledge (but not arrogance). Respond to diffuse the price objection with appropriate value-based messaging from a place of confidence, not fear.

“Your price is too high.”

We are not the cheapest, but we wouldn't be the industry leader if we didn't deliver incredible value at fair, competitive pricing. Customers choose us and grow with us year after year because they are convinced that we are the best buy.

If it were less expensive, would you want it? If so, then I'm hearing that our solution is a good fit for you. Can we look at how to make the budget work?

Too expensive compared to what?

- Alternative: What is the basis of your budget?
- Alternative: How are you concluding that this is too expensive?
- Alternative: How much were you planning on spending?

Why do you think our competitors are cheaper? Where do you think they cut corners? Do they use cheaper technology? Is their service lackluster? What corners are they cutting to offer you that price that could come back to bite you later?

It's a universal truth that you can have the cheapest or the best, but you can't have both. We decided a long time ago to offer the best. What I can offer is the best price on the best solution.

It's surprising to me to hear that you are concerned about pricing considering the value that we've discussed. It makes me think I missed something. Are there some boxes we left unchecked?

It concerns me to hear that at this point in the process. Can you tell me more?

What are the most valuable elements of the product/service/solution for you?

- Alternative: Thanks for your honesty. What elements of the solution don't you want to buy?

Silence... (Wait to hear more.)

“Your price is too high.” (Continued)

Based on our previous discussions of your needs, opportunities, and challenges, I had understood that price wasn't at the top of your list of priorities. We've put together a proposed solution that we believe are best tuned to solve your problem. Have your priorities shifted?

Does this mean that we are not a fit at all?

- Alternative: Does this mean that you don't want to purchase our solution?
- Alternative: Does this mean that we can't work together?

If we set aside the price for a moment, does our product/service solve your problem?

- Alternative: If budget weren't an obstacle, do we have the solution you want?
- Alternative: Is price our only remaining obstacle?

What is the cost to your business in this situation of prioritizing price over quality?

- Alternative: Do you typically make price-based decisions?

You have salespeople who sell for you. What would you have them do in my shoes?

- Alternative: You sell a quality solution. Do you seek to be the cheapest option?
- Alternative: In your business, is your solution always the least expensive option?

How much will it cost you to do nothing?

- Alternative: How important is it to solve this problem?
- Alternative: If you don't address this problem, how will that impact you?



“You need to match your competitor's price”

Let's imagine for a moment my price was exactly the same as my competitor's price. If that were so, do I understand that you would choose our solution? That's important for me to know if I'm looking at making any adjustments to our proposal. So, I'm given to understand you prefer our solution.

Can you please let me know why? I want to make sure that any adjusted proposal still hits the center of the bullseye for your needs, not just price. (Then listen for why the prospect prefers to do business with you that may offer you some nuggets of pricing power.)

How to Handle Price Objections

Create your **own** language to use when faced with these price objections. Remember to stay focused on the prospect to understand the underlying reasons for their objections. Don't take anything on face value. Incorporate questions as much as possible. Next, practice to gain competence and confidence.

"YOUR PRICE IS TOO HIGH."

1	
2	
3	

"YOU NEED TO MATCH YOUR COMPETITOR'S PRICE."

1	
2	
3	

"I CAN'T ACCEPT THIS PRICE INCREASE."

1	
2	
3	

“THIS IS OUTSIDE MY BUDGET.”

1	
2	
3	

“I NEED TO GET AT LEAST ONE OTHER QUOTE, BID, OR PROPOSAL.”

1	
2	
3	

“IS THIS THE BEST PRICE YOU CAN DO?” / “CAN YOU SHARPEN YOUR PENCIL?”

1	
2	
3	

