

Pricing and the Perception of Value

Did you notice on the earlier list of seven potential objections that financial concerns come last? Cost is often the first objection raised, but usually it's not the true reason for rejecting a product or service. Whether you're selling an actual physical product to consumers or an idea to your stubborn teenager, there is always a price involved. It may be financial, an emotional price, or a time commitment. In this section, I'm going to use the term "price" in a financial way, but be aware that these principles can be universally applied. I spoke earlier about how we constantly take mental shortcuts. One of the ways we do this is to make comparisons. Instead of taking the time and energy to think everything out, we'll do a quick "side-by-side" price comparison to see how two similar products stack up. The basic formula your audience is always looking for is "How do I get the most for the least?" We all do this. It's human nature. This tendency is critical to keep in mind because as a persuader, you have a lot of control over where your audience sets their benchmarks.

Remember, there is a cost/value relationship. It's not just about offering the lowest price. Many persuaders have a tendency to fight on price, incorrectly thinking that the lowest price or the most economical bid will always seal the deal. The fact is that price is rarely the main factor behind a buying decision. In fact, 68 percent of respondents surveyed by the Persuasion Institute admitted that cost was not the deciding factor, and conversely, when asked what the most important factors were, less than 10 percent cited concerns relating to price. The bottom line is that people want to see value. What seems expensive in one context is economical in another. For example, \$200 is nothing if you're getting a \$500 value in return. The deal then becomes a no-brainer. If you think about it, it doesn't make sense to buy something just because the price is good, anyway. What if it's not something desirable, useful, or necessary? Would you buy it just because of its price and no other reason? When you do a good job of helping people see how your product will improve their lives and you help move them from their current condition to their desired situation, price is usually the least of their concerns.