

# When the Customer Demands:

## “Give a Discount or Lose the Order”

Periodically every sales person encounters the customer who refuses to buy unless they receive a discount. Sometimes this is driven by the organization's culture or the buyer wanting to look good to their boss and sometimes it is simply the mindset of the individual buyer them self. To some people price satisfaction and their perception of value, is not about the actual amount paid as much as it is their sense that they have negotiated the price down from a higher starting point, thereby obtaining a “better deal.” A case in point is the retail consumer who will only buy items that are “on sale,” even if the sale price is really no lower than the everyday price at a competitor.

Although not that common a practice in the western world, in some parts of the world this “bazaar haggling” mentality is almost universal among buyers. For companies that endeavor to enforce a published price list among their sales force, encountering a customer who “demands a discount or lose the sale” can leave the sales person and the company in a no-win position. The following is useful in arming your sales force to effectively counter such customer demands.

## Our Pricing Commitment

We cannot discount the price of our products beyond the quantity discounts listed on our published price list for the following reasons.

1. Fairness to All of Our Customers – At *ABC Company* we believe in

treating all of our customers equally. That means we do not play favorites or offer “special deals and pricing” to any customers. We believe it would be unfair to offer selected customers preferred pricing.

2. No Hassle – No Haggles – When you deal with us, you are always guaranteed the best price for your purchases, period! You don't have to be an expert negotiator and you do not need to lie awake nights wondering if you obtained the “best deal” for your organization. When you buy from *ABC Company*, you know that you have received the best price.
3. One Price Guarantee – With *ABC Company*, the first price we quote will always be our “best price.” If you don't believe us, call around to any or all of the references we provided to you earlier. The price they received, based upon their specific configuration, quantity purchased, and unit prices effective on the date of their order, will be the same as the price at which we are selling to you.
4. We Sell Value, Not Price. Obtaining the lowest price does not always mean that you have obtained the Best Value. In fact, the contrary is too often true. If through your purchase you do not obtain the optimum results for your organization, then the price you paid, no matter how low, was NOT a good value. We believe *ABC Company's* products are the highest quality available and we offer them at competitive prices, resulting in you obtaining the Best Value, the first time and every time you order from us.
5. Everyday we continue to invest in our future and yours through product development. Our published prices reflect the costs of not only the product you receive, but also the support included with them, as well as product development. We continuously reinvest into on-going product development, in order to bring you more new *and improved or cutting-edge technologies such as ....* Without this constant reinvestment, we cannot continue to support you and your organization with the materials, technologies and systems you will

need tomorrow.

6. Your Trust and Our Name – Since 19XX, we have endeavored to earn your trust. Today, ABC Company has an unparalleled reputation for being the premier provider of XYZ ... in the XYZ marketplace. We will not destroy that hard earned Trust and Reputation by offering lower prices to some of our customers than others. At *ABC Company*, every customer is a ***Preferred Customer***.
  
7. Anti-Trust Legislation – The U.S. Sherman and Clayton Anti-Trust Acts are federal legislation designed to protect buyers in all marketplaces, including XYZ. These acts require that we offer the same pricing to all of our customers within the same class of trade. As with all laws and regulations, *ABC Company* expects all of its sales representatives to operate well within both the spirit and intent of the law.

Publishing this statement on your company's letterhead provides an excellent tool for your sales force to combat customer demands for price discounts.