

Price Vs Value

In sales, the concepts of price and value are subjective because they depend on the perceptions and preferences of the prospect.

Price refers to the monetary amount that the sales rep quotes for a product or service, while value is the perceived benefit or worth that the prospect associates with the offering.

One important aspect to consider is that the perceived value of a product or service varies from person to person.

What one prospect may consider valuable, another may not see the same worth in it. This subjectivity arises from individual needs, preferences, and unique circumstances.

When the price of a product exceeds the prospect's perceived value, they are unlikely to make a purchase.

This is because the prospect does not see the benefits or advantages of the product as outweighing the cost. From their perspective, the price does not justify the value they expect to receive.

On the other hand, a skilled sales rep can influence the prospect's perceived value by effectively highlighting the benefits and features of the product.

By showcasing how the product can address their specific needs, solve a problem, or enhance their life in some way, the sales rep can create a higher perceived value.

When the prospect believes that the value they will receive from the product outweighs its cost (or perceived value of the money given for the product), they are more likely to make a purchase.

Ultimately, the subjective nature of price and value highlights the importance of effective communication and understanding the prospect's perspective.

All you got to do is make the product worth more than the money's worth that it costs.