Here’s my tip for this week, and it’s a story which I think you’ll like…

Built on performance

But firstly here is some background.

I owned a media sales company for many years called NRS Media. (Link) to Mike Brunel.com?

We solely built that business on performance; in other words, we only ever got paid on what we sold.

I’m a big fan of performance.

We would go to a media company and they’d say to us, “Hey look, what’s the deal?”

We’d say, “We can generate a million dollars’ worth of revenue over a short period of time out of your inventory, that you’ve got for your radio, TV or newspaper company, and we charge only for the results”

That charge is in the 10-15%. Range.

We take all the risk

We would say it this way, “We take all the risk. Our rates vary from 10 to 15% depending on what sort of revenue you want to generate.”

Guess what? Time and time again, they’d haggle.

The reality was, we were taking all the risk, we were performance based only, and we only ever got paid on results.

So, we used to say to them, “Hey look, at the end of the day, you are going to keep 90%, and

we're going to keep 10%. I mean who's winning now?"

Majority is yours

"We take all the risk, train your people to go out and sell the concept or the idea that we develop for your media company. No risk at all and they're all new clients. So what have you got to lose?"

We'd be back and forth and haggle, haggle, haggle, and eventually get what we felt was fair.

This got me thinking, and I was reminded me of a story I heard recently from a guy called Dan Sullivan at *Strategic Coach*.

Are you pitching a higher price range?

Now, this story's been bandied around and has different variations, but I think it's a real lesson for anyone that's in consultancy, performance, *or* trying to add value, *or* pitching a higher price range.

The story is about a guy driving a Rolls Royce, his pride and joy.

He's driving this Rolls Royce along the road and, all of a sudden, it starts to splutter and he's thinking 'This has never happened before.'

And then, it stops, and he's thinking, 'My God, I've got to get somewhere, what am I going to do?'

Luckily, across the road was a garage and he spotted a mechanic inside the premises.

So he locked up the car and walked across to the mechanic and said, "Hey mate, I've got a

few problems with my car. It's never happened before but I can't start it."

The mechanic says, "Oh, I'll come over and have a look mate."

So he wanders over to the Rolls Royce, lifts the bonnet, and looks around.

He then says, "I'll be back in a minute"

The mechanic races across the road and into his garage. He looks at the back of the workshop and he sees a hammer. 'That'll do the trick', he thinks to himself.

He walks back across the road towards the man with the Rolls Royce, and as he's approaching, the Rolls Royce guy says, "Hey mate, what's with the hammer? I mean, this is my pride and joy, are you gonna be careful?"

The mechanic says, "Look mate, do you want me to help you or not?"

The Rolls guy says, "Yeah, yeah, yeah, yeah."

So, the mechanic says, "Well, OK, let's lift the bonnet back up. Now here's the thing, I want you to hop in the driver's seat and when I say *one, two, three*, I want you to turn the ignition on."

The mechanic goes around the front of the car, lifts the bonnet back up, and says, "One, two, three…" There's a bang and the guy turns on the Rolls Royce and she's cranked up. She ready to go, brilliant.

The mechanic puts the bonnet down, walks around the front, and says, "OK, what I want you to do is turn it off, and start it back up again."

So, the Rolls Royce owner turns on the ignition…perfect…turns it back off…perfect…turns it on again…perfect. He repeats this a few more times, and the mechanic says, "That's enough, that'll do the trick."

The Rolls Royce owner thinks to himself ‘Fantastic, I’ll be on my way.’

He hops out of the car and opens up his wallet. He’s got about five bucks in there and he says, “Well, what’s the charge for getting the car going?”

The mechanic says, “It’s $500 mate.”

The guy in the Rolls is thinking ‘$500 bucks for just walking across the road with a hammer.’

“Really? $500 for that?” To which the mechanic replies, “Yep, $500 mate. $5 for the hammer and $495 for knowing which part to hit under your bonnet.”

What’s the lesson?

For me, that’s a great lesson about the fact that sometimes you pay more for expertise, sometimes you pay more for performance, and sometimes, you know, that’s just what it is, that’s the price.

So, when you’re coming up against price objections or you’re coming up against concerns around performance, level of expertise, or the way to add value…think like the mechanic, because that’s what he thought he was worth.

Whatever career you decide to take in sales, it’s always good to get some help.

That’s why you can get FREE in your inbox every morning for 7 days; the 7 Day Sale Challenge.

Hop on over here and subscribe.

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Mike Brunel started mikebrunel.com after being a successful entrepreneur and founder of NRS Media. He co-founded NRS Media in Wellington, New Zealand, expanded it into a global powerhouse in media sales and training, and was eventually responsible for opening offices in London, Atlanta, Toronto, Sydney, Capetown, and Bogota. He has hired hundreds of salespeople around the world.

He made a lot of mistakes when it came to hiring his superstars. Check out his How to Hire A Super Salesperson Each and Every time – It's packed with tips and ideas on how to hire great salespeople. Don't ever Hire Bad Salespeople Ever Again. Promise!