

Bidding vs. Selling

To Bid –verb (used with object) "to offer (a certain sum) as the price one will pay"

To sell–verb (used with object) "to persuade or induce (someone) to buy something"

Our industry evolved in a "bidding" environment.

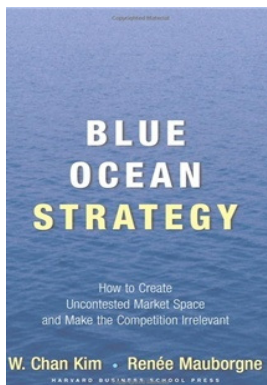
As opposed to a "selling" environment, bidding is a contest with an assured winner (in most cases).

The bidder is dealing with someone who is likely to buy something. The goal is to (1) find those opportunities, and (2) prevail over fellow bidders.

The seller is persuading someone to buy something they do not have to buy. The goal is (1) to find someone who can buy, (2) persuade them to buy.

Historically, our courses have helped dealers find those bidding opportunities as early as possible and to prevail by focusing on company stability, design, process, and documentation – not products and pricing. The several hundred dealers we have worked with have proven the validity of that advice.

Another early strategy for bidding success was to become involved in the original design and have product combinations "specified" in. That strategy has worked well for manufacturers who have an aggressive marketing program that can dispatch an employee to personally interact with the Specifiers (architects, designers, and builders). Lutron Electronics would be the best example of such a program.



These strategies worked well for new construction. Now new construction has ground to a mere one fourth of its best years and there are simply more dealers bidding on fewer opportunities.

In a book you might want to read, "Blue Ocean Strategy", your bidding world is described as a "Red Ocean" because the ocean is red with the blood of the competitors (fellow bidders).

Now the landscape has changed and the more perceptive dealer can create a "Blue Ocean" strategy designed to make the competition irrelevant.

There is a catch that will eliminate most of you. You will need to learn how to actually sell something to someone who does not have to buy something.

Unfortunately, current integrators are more adept at figuring things out than actually selling. They are "MacGyver types". Industry trainings have always focused on the actual doing and rarely offer true sales training.

In much the way there are no born integrators, there are no born salesmen. It is a skill set that can be developed and refined; it is not another version of bidding.

In your new world, you will be selling integrated systems with a focus on home management to wealthy homeowners in their existing homes.

If you wanted to bake a cake, you would follow a recipe. A recipe is a set of instructions that allows you recreate what an expert has accomplished. This analogy applies to any successful venture.

Future entries in this blog will provide instructions on successful bidding and successful selling.

To avoid confusion, there will be one blog focused on selling and another on bidding.