



10

Sales-Boosting Strategies For Security Dealers and Integrators

**Studebaker-
Worthington**
LEASING CORP.

Studebaker-Worthington Leasing Corp.

100 Jericho Quadrangle
Jericho, New York 11753

1-800-645-7242

www.studebaker.com

Dear Security Dealer/Integrator:

For more than 30 years, Studebaker-Worthington has been the "technology reseller's sales partner" – publishing free booklets, videos, audios, and software to help resellers boost their sales and profits.

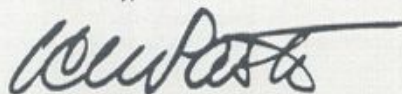
Few technology markets are growing as fast as security. In 2003, the most recent year for which reliable statistics are available, combined sales of commercial and residential security systems topped \$20 billion.

But as security sales increase in volume, they also increase in cost and complexity – creating new challenges for security dealers and integrators selling small-ticket and big-ticket systems to commercial customers.

In this booklet, 10 Sales-Boosting Strategies for Security Dealers and Integrators, we present proven sales techniques to help you become even more successful in today's challenging security systems marketplace ... and close more and bigger sales, more often.

We also encourage you to visit www.studebaker.com and download our FREE "Security System Quote Generator" – a valuable tool for generating customized, professional quality security system quotes.

Sincerely,



Ken Paston, President
Studebaker-Worthington Leasing Corp.

P.S. To get your Security System Quote Generator on CD (value: \$49) absolutely FREE, call toll-free today 800-645-7242.



Avoid asking prospects yes/no questions.

A lot of security dealers make cold calls to get appointments with prospects ... and the telephone script often sounds something like this:

"I am Joe Smith with ABC Security, and the reason I'm calling is to set up an appointment to give you a free security analysis.

"Let me ask you, Mr. Prospect: are you having a problem with theft or accidents in your business?"

Big mistake. Why? Because the prospect can easily get rid of you by saying, "No, we are not having any problems; in fact, everything's just fine."

Rule of thumb: NEVER ask your prospect a question to which the answer can be "no."

Reason: prospects will answer "no" ... even if it's not the truth ... just to get rid of you.

So what's a better approach?

Ask a question to which "no" is not a logical or possible answer.

For example:

"I am Joe Smith with ABC Security, and the reason I'm calling is to set an appointment to give you a free security analysis.

"Let me ask you, Mr. Prospect: how much money are you losing each month in your business because of theft – accidents – vandalism – lost productivity – lack of access control – high fire insurance premiums?"

When the prospect answers, you can use the information to demonstrate how a new security system can solve his problem – and generate a positive and rapid return on investment (ROI).



Always give prospects a choice.

The typical salesman quotes as follows: "This is the system I recommend for you, and the price is X dollars."

Problem: that's a "take it or leave it" proposition.

The only possible responses are "Yes, I'll take it" or "No, I am not interested."

And remember: it's much easier for prospects to say "no" than to say "yes."

That's especially true when the spending of money is involved.

So when you say "This is the system I recommend for you, and the price is X dollars," the prospect's natural response is: "No. It's too much money. We can't afford it."

And the sale is dead in the water.

A better approach is to quote a range of options rather than a single option.

Here's how these options might be structured in a quotation for a commercial security system for, say, a restaurant:

OPTION #1: GOOD SYSTEM: This is the low-cost, low-end solution. It might consist of a CCTV system with a camera on the front door, a second camera on the cash register, a DVR, plus an alarm system.

OPTION #2: BETTER SYSTEM: This is the mid-range, mid-price option. You get everything in Option #1 plus additional cameras in the following areas: the front of the building (to detect slips and falls), the parking lot (to deter auto theft), and the back door (to prevent employees from pilfering merchandise through the rear of the building).

OPTION #3: BEST SYSTEM: This is the deluxe system. You get everything in Options #1 and #2, plus: exterior cameras on all four sides of the building; interior cameras covering all areas of the floor; a camera in the kitchen; and another near the freezer.

When quoting, present these three options – and not just a single option. Then ask the prospect, "Which system are you interested in – good, better, or best?"

By the way, most prospects will choose the middle option ... so you should make "option #2," the "better" option, the system configuration you actually want to sell them.



Quote leasing up front as an alternative to purchase

"Sticker shock" takes place when, as soon as you quote the purchase price, you can see the prospect is surprised ... and thinks your price is very expensive.

He is, in fact, *shocked* by how much how much it costs – the sticker price. And this obviously not the reaction you want from him.

When quoting on a security system, one way to help eliminate "sticker shock" is by breaking a big up-front purchase price into low monthly lease payments.

Price is cited by most resellers as the #1 barrier to closing the sale, especially with big-ticket items such as a security, fire alarm, or access control system.

Quoting leasing up front makes your product seem more affordable – by converting a large purchase price to a modest monthly payment.

Compare "\$213 a month" with "\$10,000." Which sounds more attractive to you?

The idea of leasing instead of purchasing a security system is nothing new. Did you know that six out of ten commercial security system sales are financed?

One reason for leasing's growing popularity is its flexibility. By varying the term (length) of the lease, you can tailor the monthly payment to fit the prospect's budget.

When a prospect says your price is too high, never lower the price. Instead, lower the monthly payments.

For instance, if \$400 a month under a 36-month lease is too much for your customer, ask what they CAN afford to pay per month.

If the prospect says they can afford \$300 a month, quoting the same system, at the exact same price – but on a 60-month lease at \$275 a month – overcomes price as an objection.



Show... don't tell.

Remember when you went to the pet shop or animal shelter to buy a puppy? What *really* sold you?

It wasn't facts and figures about the breed. Wasn't it petting that frisky puppy, holding it, feeling its soft fur, and looking into its big, sweet puppy eyes?

If you want the prospect to become excited about the idea of improved security, don't just recite product specifications, talk about technical features, or quote the latest statistics about industrial theft or fire damage.

Instead, *show* the prospect what the product can do for him and his business. Remember, seeing is believing!

Show live demonstrations of your newest security cameras and monitors. Let the prospect see first-hand how the new technology works -- and the enhanced security it can provide.

Set up showrooms. Even better, get an existing customer in the area to let you use his installation as a "demo" site... perhaps offering them a month or two of free monitoring in exchange.

When calling on prospects, bring along a DVR, monitor, and keyboard. Connect them to the demo site via the Internet. And let your prospect watch the live monitoring at the other customer's site.

To sell a school, for instance, ask another school whose security system you installed to serve as your demo site -- especially one with a camera in the area of the playground where kids are known to paint graffiti or where there has been previous vandalism.

When prospects in other schools can see how secure the playground becomes with vigilant monitoring, their interest in your system will peak.

There's something about a principal seeing another school's parking lot, front door, register, or loading dock on camera that excites him about the idea of monitoring in a way a sales brochure can't.

Should your system actually catch a vandal or thief in the act, you've practically closed the deal on the spot!



Sell R.O.I.

Using Studebaker-Worthington's free "Security System Quote Generator," you can quickly and easily generate customized, professional quality security system quotes.

Before you prepare and submit your quote, however, ask the prospect: "How much money are you losing each month in your business because of lack of security at your facility?"

Then, by adjusting the length of the lease, you can make the monthly payments for the new security system **LESS** than the monthly losses stemming from poor or non-existent security.

That way, acquisition of the security system generates an immediate, positive monthly return on investment, or ROI, for the buyer.

While buyers look for a myriad of benefits from security systems, it's much easier to close the sale when you can demonstrate money savings and a positive ROI.

Think about the prospect whose business is losing thousands of dollars a month -- from theft, vandalism, damage, accidents, lost productivity, insurance premium increases, failure to control building access, and other security problems.

If you can show you can help that prospect virtually eliminate those losses, you can ask him: "If we can save you thousand of dollars a month, would you be willing to pay us a few hundred a month to install, maintain, and monitor a new security system for you?"

You are, in essence, saying to the buyer, "If I give you a dollar, will you give me a quarter?" ... and who could say no to an offer like that?



Offer a "master lease" to reduce prospect paperwork

The larger the business, the more locations they may have requiring security: headquarters, branch offices, warehouses, parts depots, stores.

Often what happens is this: your customer goes through his purchasing committee to get approval for equipping the headquarters building with a new security system.

Then 6 months later, another location needs a security system. And your customer is faced with the headache of going through the whole approval process again.

Studebaker-Worthington offers a "master lease" program that can eliminate this headache for your customer ... and pave the way to more sales.

How does it work? The customer gets corporate approval for a "master lease" when he installs his first system.

When he needs more systems for other locations, these new systems can be added to the existing master lease – eliminating the need to get approval for a brand-new leasing agreement each time.

Also, when prospects purchase a security system outright, it represents a large capital expenditure – often requiring multiple layers of corporate approval.

With a lease, the prospect can treat the acquisition as a recurring monthly expenditure, which he may be able to authorize without going to his buying committee for the OK.



Agree with your prospects - don't argue with them

You don't sell people by arguing with them. A better strategy is to agree with your prospects ... or

to at least acknowledge that their viewpoint has some merit.

Two "magic phrases" that can help you when dealing with objections are "*I understand*" and "*Many of our customers have said the same thing.*"

PROSPECT: Money is tight. I'm reluctant to buy.

YOU: I understand. Many people are keeping a lid on spending right now. But let me ask ... if the improved security and cost savings the system generates for you can rapidly pay back its purchase price many times over, would you consider that a good investment?

PROSPECT: I don't have time to train my employees in how to use the security monitors and set the alarms.

YOU: You know, Mr. Prospect, many of our customers told me exactly the same thing until they went through our Quick-Start Training Program -- and saw how really simple and quick this system is to learn and to use.

"I understand" is a magic phrase, because it indicates to the customer that you are listening -- something many salespeople never do.

"Many of our customers told me exactly the same thing" is a magic phrase because it says to the prospect, "Your opinion is valid, because others in your position share it ... but WE have the solution!"



Finance bigger and more profitable deals without depleting your cash or existing lines of credit

One of the best ways to grow your business is to take on bigger deals. But that means shelling out more money up front to your supplier to purchase the hardware.

What happens when the system is so big that your credit with the manufacturer or distributor won't cover the cost of the equipment you need to purchase?

With Studebaker-Worthington's split funding program, you can handle these bigger deals -- without exhausting existing lines of credit or getting a loan from your rich Uncle George!

With our split-funding program, we make arrangements to pay your supplier -- typically a security systems manufacturer or distributor -- directly. We issue our purchase order to your company, and you sign an authorization assigning all or part of the proceeds to your supplier.

Your supplier ships the product based on the rather considerable credit strength of Studebaker-

Worthington and our billion-dollar parent bank. You are out of the loop -- there is no need for you to pay the supplier out of your own pocket -- or use up your credit line with them or your bank.

Even though the cost of the components for a big job might exceed YOUR credit limit with this supplier, it doesn't exceed ours -- which means you can get the equipment without delay.

We pay the distributor's invoice when the system is installed and accepted by the customer. In addition, your credit line remains untouched, enabling you to continue making day-to-day purchases from the same distributor.



Offer financing in-house.

Arrange to offer financing directly to your customers through a leasing company like Studebaker-Worthington.

Do NOT force your customers to seek financing from the local bank or other outside sources.

Reason: you don't want prospects to leave your offices before the deal is closed. If they walk away to search for financing, they may get sidetracked -- or change their minds -- and never come back.

Being able to offer leasing on the spot prevents these prospects from walking ... and keeps you in control. Don't forget to remind the customer that once the lease is written, the lease payments won't ever go up.

Even if interest rates go sky high, the monthly lease payment stays the same. Bank loans, on the other hand, are often tied to prevailing interest rates, so the monthly payment can increase substantially.

Leasing is a hedge against inflation, enabling your customer to acquire today's equipment with tomorrow's cheaper dollars.



Give municipal customers an "easy out."

Many state and local government agencies -- school districts, police and fire departments, state and municipal hospitals, libraries, and courts -- would rather lease than purchase.

Studebaker-Worthington offers special state and local government leasing programs that meet the special requirements of state and local agencies.

For instance, most local and state government agencies cannot commit to a lease beyond one year. Our municipal leases contain a "non-appropriation clause" allowing the agency to cancel the lease if the funds are not approved for the new fiscal year.

Many government clients will not buy from you unless your leasing agreement offers them this kind of "escape clause."

About Studebaker-Worthington Leasing Corp.

Studebaker-Worthington provides full-service leasing for security dealers and integrators -- and their customers. Some of the "extras" you get when you offer your customers leasing through Studebaker-Worthington include:

- Rates that are among the most competitive in the industry today.
- A toll-free 800 hotline staffed by experienced leasing professionals. You do no credit-checking and no paperwork. We handle it all.
- Super-fast credit approval -- with our "OK" given promptly by phone.
- Lease documents delivered at our expense via overnight courier -- so you can close the sale without delay.
- Special incentive programs that can increase your net profits on every sale.
- A FREE "Security System Quote Generator" for generating customized, professional-quality security system quotes -- in seconds!



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100 Jericho Quadrangle
Jericho, New York 11753
Phone: 1-800-645-7242
Fax: 516-938-5604