

Downselling: A Successful Selling Strategy in Today's Market

Most homeowners are cognisant of budget constraints when making renovation choices, but recently you may have noticed their price sensitivity is rising. The sales strategy professionals adopt makes the difference between whether homeowners view them as a trusted partner in carrying out a project or a sales person trying to make a deal.

Renovation industry leader, author and advisor, Mark Richardson joined Liza Hausman, Houzz VP of Industry Marketing and Joey Nalevka, SVP of Sales at Houzz to discuss what makes an effective construction sales strategy, and why downselling is an apt approach in today's market. Here are the four reasons they outlined for pros to incorporate downselling – or downhill selling – into their sales process.

Renovation demand is strong, but clients seek savings.

REASON #1

It's Easier to Go Down than Up

"Downhill selling is hearing the clients' needs, and then starting with the dream list, the largest recommendation, and if that's over their budget or more than what they want to do, then taking things off to get within range," Nalevka explains. It is more effective than taking the opposite approach of starting small and then adding item upon item, he says.

This can also mean finding less expensive alternatives for products and materials instead of completely eliminating that portion of their renovation project.

REASON #2

Make Clients Happier

"It's proven time and time again from a psychological perspective in the example where you started from the uphill and did the downhill sell, that clients will walk away happier and feeling like they got a better deal," Nalevka says.

Hausman says professionals who create this kind of rapport are remembered by clients:



"We want people to be bragging about you, about how you helped them save money as opposed to pushing them to do more."

REASON #3

Become a Trusted Advisor

Anchor the ambitious, initial plans you present to homeowners with your experience with past projects:



“Part of the credibility building can be explaining to them about what are the cost drivers,” Hausman says. “Then, come within budget, and you are going to be the hero rather than someone who pushed them to something they did not want to do.”

Richardson also says downselling makes it easier to show clients where they can cut those costs so they perceive you as that trusted advisor instead of a salesperson.

REASON #4

Provide Transparency

With the cost of materials as unpredictable as they have been over the last couple years, it is not uncommon for prices to increase as much as 10% over the life of a project. To account for that, raise that possibility early with potential clients to avoid unpleasant surprises down the road.

Starting the discussion early, and reminding homeowners along the way, better prepares them for pulling back on some aspects of the project or increasing their budget if prices rise.

CONCLUSION

Having financial transparency was high on the list of homeowners Houzz recently surveyed. Having better visualisation of what their project was going to look like so that they would feel comfortable signing off on it made it to the top three as well.

Using modern tools such as the [Houzz Pro 3D Floor Planner](#) to bring clients' dream projects to life is a way to stand out above the rest, and build a reputation as a sought-after renovation authority. By updating their tech toolbox and selling strategy, renovators can help their businesses grow and thrive in today's more price conscious atmosphere.