

# \$elling to the *Affluent*

By John A. Palumbo

**L**ast year in the United States the number of American households with networths in excess of \$1 million grew to a record 8.9 million. While a million dollars doesn't buy anywhere near what it used to, it is still the financial goal that many Americans strive to achieve.

When I say networths over \$1 million, I am excluding principal residence. Especially in today's market where housing prices have soared in the past few years, many people consider themselves to have crossed the elusive million dollar mark with the increased value of their primary residence.

In actuality, the true millionaire status comes from assets exceeding that number. The affluent club is about more than just having a million dollars. Being affluent is a distinct mindset which is why most salespeople today are clueless on how to sell and close this unique buyer.

When discussing the affluent buyer, we are not referring to the Bill Gates and Warren Buffets of the world. They are considered to be the super rich. We are going to be talking more about what Best Selling Author Thomas Stanley more aptly described in his book, *The Millionaire Next Door*. According to Stanley, there is a quiet affluence growing in America. These individuals have spent their entire lives amassing their financial empire and in many cases, have done it by taking advantage of good values, buying at the right time and even pinching pennies with nearly shrew-like negotiating. They may have made their money by utilizing these skills, but what they eventually discover is that time is more valuable than money. In the early stages of accumulating their riches, they learned to shop, negotiate and bargain for the best deals on everything including vehicles, real estate and other assets. They expect a lot for their money and will not be content without it.

## Money Talks

We've all heard the term, "Money talks," which is true. However, it has more than one language. The language of the affluent is a different speak than what is used in most

mass communications. Today's more sophisticated and affluent buyers do not have the time to shop and negotiate as they did when they were building their fortunes.

At this stage, it is necessary for them to move more quickly and to feel comfortable with those they are doing business with. In exchange for their time and energy, they are willing to pay more but expect and demand high quality and superior service. While they are willing to pay the price, don't be fooled. They still want a good deal. Therefore, when catering to this target market, there are two prices: the full price and their price.

It is not necessary to negotiate price to make the affluent buyer feel that they have received a great value for their money. However, it is important they feel like they have uncovered a special talent when dealing with you. One of the ways we do that is to never say to the buyer that they are paying full price. There are much better ways to turn the full price into their price. One of the secrets to keep in mind is to always have a reason for special pricing and limited offerings such as:

- Preconstruction discounts
- Closeout sales
- Early incentives
- End of the year closeouts
- Beginning of the year start ups

As you can see, the opportunities are unlimited. There is a special terminology to be used so the buyer will feel as though they were able to squeeze through a small window of opportunity. Saying you don't negotiate price gets you nowhere. You can still get your price and make your clients feel as though they have gotten the best price.

## The Mind Set

Selling to the affluent is not for every salesperson. Unfortunately, what I discovered after many years of research with salespeople all over the country is that we only sell to the level where we see ourselves. Since most salespeople never see themselves as millionaires, it is difficult for them to communicate to the affluent market.

I've known many salespeople who were intimidated by people with a lot of money because they felt like the rich were smarter or had greater insight than they did. The truth is, the affluent are simply more confident in their business dealings and expect to deal with someone with the same level of confidence. Without that confidence they will run over most salespeople when it comes to buying or negotiating in any transaction.

With selling to the affluent, there are simple words that make a huge difference. For example, the word **work**. This is a dirty four-letter word. The affluent do not go to work. They have careers, aspirations, entrepreneurial spirits, and are busy

professionals. It is like my father told me, "Find a job you love and you will never work another day in your life." This is how the affluent think. If you need to find out what they do for a living, you will want to inquire more about their background and what profession they come from, not where they work.

Another case in point is the word **free**. It is a word that has a lot of influence in the world of advertising and selling. Yet to the ear of the affluent, it is a cheap means of getting their attention. They know that nothing is free and there is a cost for everything. To the trained ear, the word free has an expensive sound. When you have something free to offer, reframe it so that it is now to be given away complimentary or extended as a professional courtesy.

## See Yourself for What You Are Worth

In order to sell expensive products to affluent buyers, you have to have a million dollar attitude and a complete understanding of what makes the affluent prospects eventually become satisfied clients. Since today's consumers have more access to research than ever before in history, it simply means to be a true sales professional to the wealthy, you will have to do more homework than ever before.

Know that when you are dealing with your prospects, they expect you to have all the answers and be the problem solver. They

expect you to bring solutions to the table so that they can make comfortable, yet quick decisions. Remember, price is not as big a factor with the affluent if you are totally committed and are seen as the definitive informational resource for them. That means, you understand that time is money. If you are perceived as a person who can save them time, you will be seen as a person who will save them money.

## A Breed Apart

Many years ago, a company was advertising to what they thought was their affluent market. This was a high end stock brokerage firm. The tag line they used at the end of their commercials was, “We’re bullish on America.” You may recognize this slogan from a company called Merrill Lynch.

It wasn’t until sometime later that they began to get a much better understanding of who their true client was and how every written word made a difference. After tens of thousands of dollars in research, it was concluded that they needed to change their entire marketing campaign and use the new tagline, “Merrill Lynch, a breed apart.”

Whether it is letters, e-mails, or advertisement, all written communications to the affluent must make them feel like they stand out from the crowd. In other words, any time they feel like they are part of “the pack,” your likeliness of concluding any business diminishes greatly. For

instance, any type of e-mail sent that begins with “Hello Everybody!” clearly says they are part of the pack. Unfortunately, this is about as far as the affluent reader will go before they hit the delete button.

The master sales professional today understands the need to personalize his/her communications and being totally committed to becoming a problem solver. Because the affluent are so busy, they only want to do business with someone who knows how to accommodate their wants and needs. If you yearn to truly understand how to serve the affluent, here is your next homework assignment. Next time you are near a Ritz Carlton or Four Seasons hotel go into the lobby and take a seat as close to the concierge desk as possible. Then, simply take out your notepad and observe how they have been trained to serve. This will give you a much better understanding of the type of service the affluent market has become accustomed to receiving.

## VIP Conclusion

A VIP is a **V**ery **I**mportant **P**roposition. If you want to sell to the affluent, you need to have a millionaire mindset. One of the best ways you can obtain the mindset of the affluent is by committing to become affluent yourself. If you want to cater to this unique market, you have to have the same desire to separate yourself from the pack. You can start by reading every book and article you can get your hands on as well as listening to CDs and audio programs. A great resource

to take advantage of is

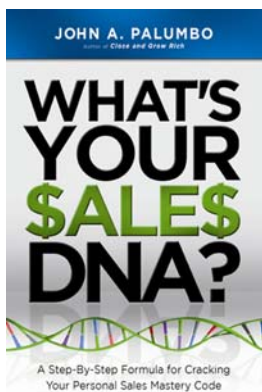
**TheAffluentBuyer.com** where you can get more information and articles on how the wealthy think.

In his best selling audio program from the 1950s, *The Strangest Secret*, Earl Nightingale discovered how the average become wealthy, why ordinary salespeople become great and how managers become leaders. It was quite simple. The secret is that “*we*

*become what we think about all day long*”. Do you think of yourself as being good in sales or aspire to be the top salesperson of the month, or do you imagine yourself owning the company one day and see yourself as the affluent buyer? Either way, you will be right, so the choice is yours everyday all day long.



Continue to learn from the sales master, **John A. Palumbo**, in his recently published book that is certain to help you improve your sales!



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