

Secrets of Proposals for Luxury Clients

How to design your pitch to luxury clients

by Rich Riehl

For the last five years, my efforts have focused on the process of creating professional proposals. Why? Because in all my years of selling A/V systems to the wealthiest people in the world, I discovered that the proposal plays a central role in the selling process. Ultimately, jobs can be won or lost due to the proposal. It is the most important element in the entire sales process, especially in today's economy, when new sales can provide the cash flow needed to beat the recession.

In the case of selling exotic automobiles or luxury yachts, clients are able to test-drive the car or take the yacht out for a weekend cruise. That hands-on experience is the primary route to closing deals. Imagine trying to sell a Lamborghini someone who

never sat in one, and never felt the adrenaline of hitting a mountain curve at high speed. When I ran a custom installation business, I did not have the option of providing my customers with a road test like that. Each home undergoing con-

struction and each A/V system design was unique. Even though we had a nice showroom, very few of my clients ever had an upfront opportunity to see, feel, and touch the specific gear that we were selling them. The point is to focus on selling the cli-

THE KEY GOALS OF A PROFESSIONAL PROPOSAL

Your proposal must communicate your company image and level of professionalism. Because you are selling to high-end clients, your own proposal style should stand out from the others. The artistic style, color, graphics, binding, paper quality and presentation create a vital first impression by which you will be judged.

Your proposal must create a comfort zone of confidence and trust, which is more important than specs or pricing. If you succeed there, the client will work with you even if you cost more than other bidders. Sell that relationship, and win the battle first. After establishing yourself as the client's choice, you can work with him or her to adjust final rewrites on the route to the final agreement.

Elite clients have maids, butlers, and office staff that do much of their busy work for them. If your proposal makes the reader feel that you fully understand his or her wishes and shows that you have done all the research and due diligence, you will gain the client's confidence. I recommend an executive overview, where the client can easily review the key products, images, and descriptions. It should not resemble a technical manual or overwhelm

with excessive detail and industry jargon.

Never be the low bidder! You will go out of business. Last week in Malibu, I visited a beautiful, new home. The 530,000 electronics system must have been sold by a very timid A/V salesperson. It had some nice flat-screens, but the remotes, the speakers, and the audio quality were disappointing and well below par for this type of home. Selling iPod dots and 5300 receivers to this customer was not in anyone's best interest. I guess the salesperson didn't notice the brand new Ferrari, the stretch limo, and the other cars in the garage that cost almost 5500K. Underselling in this market happens all of the time and it can erode profitability for all.

In this market, you should be one of the highest bids. Why? Luxury clients want to work with the best. That is the all-important first step. Once you have positioned your company and established that credibility, then you can offer discounts. If your client believes that you are the best and that you will give them a very fair price at the same time, you will make the sale.

ent on your company and the experience of working with you. This all has to be conveyed through your proposal. The proposal covers all areas including the sales pitch, the design (with illustrations), the list of gear, the prices, and the sales contract. If all you have for your customer is a piece of paper to sign with a \$100,000 price tag. I always say, "It better be a good piece of paper." As a salesperson, you live or die based on your proposal. It is your final deliverable.

I tell people that the future of their company is riding on their proposals. This is a sales-driven business, and new sales provide the vital cash flow a company needs to survive. Your goal is to win the sale because your company and your proposal are the best - not the cheapest. Your proposal style must make that very clear.

Printed proposals generally include a cover page, an opening narrative letter, a company description, full-color photos of your work, references, scope of work, guarantees, and payment requirements. Drawings can include rack elevations, floor plans, wire diagrams and more. Do not forget to attach your business card.

Common methods used to create proposals

Word processing software is cheap and easy to learn. However, it is the least desirable method because hand typing wastes the most amount of time. Since there are no predefined products and pricing tables, the user must individually research, type, and price each line item. Then all totals must be hand calculated. This is not a repeatable process, and lacks all possible connection to the workflow of ordering, installing, billing, tracking and project management.

Spreadsheet software is a slightly better choice because the method can include calculations within cells. The process usually involves cutting and pasting products from existing proposals into new ones. Advanced users can create macros and output proposals to reports that can be formatted and controlled, but real product database is still lacking. Formulas can easily be lost resulting in major calculation errors.

Some companies use **accounting software**, which has pronounced pros and cons. This process of creating inventory items with fixed pricing establishes a database that is repeatable and controllable. When an estimate is created for a customer inside accounting software, the process of working with bookkeeping and accounting is already in place.

Here are some major drawbacks: Salespeople are rarely trained in accounting software and giving your salespeople access to sensitive company financial data is never a good idea. The product database is usually clunky, difficult to navigate and does not include all elements of the cable, hardware, accessories, and labor that need to be included. Accounting software can help create a professional proposal. Instead the printout resembles an invoice you would expect to get from an auto repair shop. If you want to make a good impression with elite clients, this is not the way to go.

Professional proposal software developed for the A/V industry is definitely the tool of choice. There are three companies that regularly present their solutions at A/V tradeshows. This type of software provides a high-quality document that fits the expectations of luxury clients and shows your company in a professional light. This class of software includes automatic calculations of all required pricing for equipment and labor. Each of these creates a system solution that includes a database of products and connections to hand off the finished proposal to accounting and project management. I suggest that you seriously research what software is offered and how each might fit the needs of your sales team. Your chosen method of creating proposals will affect your entire workflow.

Some proposal software is well suited to the needs of a busy salesperson that must design the system, create the proposal, and sell to the client. This salesperson requires timesaving solutions that provide a fast and easy workflow once set up. Other software in this category is a better choice for firms that employ additional system designers to construct proposals needed by the sales department. That type of software requires extensive training

investments and extended startup efforts. They may include additional documentation, but will require more time.

Explore the professional solution that works best for your company. The best sales results occur when your choice allows your salespeople to stay focused on selling and meeting with customers instead of burying them with complex computer tasks. Don't overwhelm your prospects with a 20 page document if that makes them uncomfortable. Find the right amount of documentation that will provide the best results for your team given the size of your staff and the time commitment to the software they can reasonably make.

When you finally hand your finished proposal to your client, you should be able to take pride in your presentation. It should be clear, complete, and to the point. It should provide a thorough overview so your customer smiles and says, "You have delivered an excellent proposal. I am convinced that you understand my needs and that your company can provide the high level of professional service we expect."

Better proposals are essential to help you reach your goals of increased sales and profitability.

Good selling! •



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