

How to close the sale - Negotiate successfully

One purpose of selling is to build up enough power so that you can negotiate a good price and terms.



Course Overview

Most negotiation guidance explores the subject from the point of view of the buyer. How the buyer can get the best deal from the salesperson. This course teaches salespeople how to fight back. It is negotiation from a sales perspective. It looks at how traditional objection handling techniques are ineffective and how they can be turned into a productive negotiation.

At the end of the sale there are always some issues to deal with. We must avoid negotiating away any profit we might make. The course shows how salespeople can deal with objections and build up their negotiating power so that they have less need to make concessions at the final stage.

The course is broken down into eight units:

- Unit 1 Understanding the Term 'Negotiation'
- Unit 2 Dealing with Objections for Smaller Sales
- Unit 3 Handling 'Residual' Objections
- Unit 4 Understanding the Skills of Negotiation
- Unit 5 The Balance of Power in Negotiation
- Unit 6 The Powers of Negotiation
- Unit 7 Analysing Negotiation Variables
- Unit 8 Summarising the Negotiation Process

Duration

90 – 120 minutes

Learning Outcomes

By the end of the course you will be able to:

- Understand the difference between selling and negotiation
- Recognise what an objection looks like and how to negotiate around it
- Avoid 'real' objections at the final stages of a sale
- Practise effective techniques for handling 'residual' objections
- Recognise the salesperson's and buyer's most favoured position and break point when negotiating
- Understand the many variables to negotiation and identify both the buyer's and salesperson's powers, so that you can take these into account when negotiating
- Determine how best to offer concessions and give discounts
- Use helpful negotiation phrases and deal with different types of negotiators

More about the Course

Negotiating

The seven steps of the negotiation process are:

- Building your power
- Preparing
- Creating Needs
- Knowing your Contractual Terms
- Qualifying the sale
- Bargaining
- Closing the sale

Remember:

If it's valuable, it's a variable and if it's a variable, it's valuable.

Much negotiation theory and practice concentrates on the methods that buyers can use to get a good deal from salespeople.

This emphasis is natural. The buyer apparently has power over the seller and can use that power to get as good a deal as possible.

The more challenging exercise is for the seller to be able to negotiate a highly profitable price with straightforward terms and conditions – even when up against a tough negotiator.

On the surface, selling and negotiating are very different processes and skills. In a sales situation, the salesperson has very little power over the buyer in that the buyer can usually turn to other suppliers if necessary. The salesperson's task is to create a sufficiently great need for the product so that the customer will pay the price. By creating needs the salesperson gains power.

In a negotiation, both sides have an element of power over each other and the procedure is to bargain towards a mutually acceptable balance.

Salespeople rarely realise that once the customer has decided to buy, then the salesperson does, indeed, have an element of power over the prospect and the balance of that power will determine price, discount, delivery, support, supplier status, access to senior staff, timing of payment, guarantees, penalty clauses and so on.

Dealing with Objections

Sales textbooks spend a vast amount of time on the subject of 'objection handling'.

If the prospect has some objections to our offering, the objections are real. We will not win the sale unless we find out what the objections are and, if possible, deal with them. Yet, often prospects will not articulate the objections. Maybe they feel embarrassed to tell us that our offering is not as perfect as we are describing.

We should welcome the fact that we have been told about the objections. Now we can try to do something about them.

We need to test if there are any objections before we can win the business. The technique for doing so is tried and tested.

We close – ask for the business. We expect the answer to be, "No", but that is no problem at all because we know how to deal with the rejection. We ask the question, "Why not? What's the problem?"

In a very direct manner, the customers' main concerns have been identified.

If it is done with tact there need not be any embarrassment in doing this closing. Up to this point it is hard to argue with the process. It is a sensible way to bring the issues out.

But what is really important is what happens before we ask the question to avoid the objections in the first place, and what happens once we have found them.

If we have qualified the sale properly, then so called 'objection handling' is in fact a negotiation around the final issues.