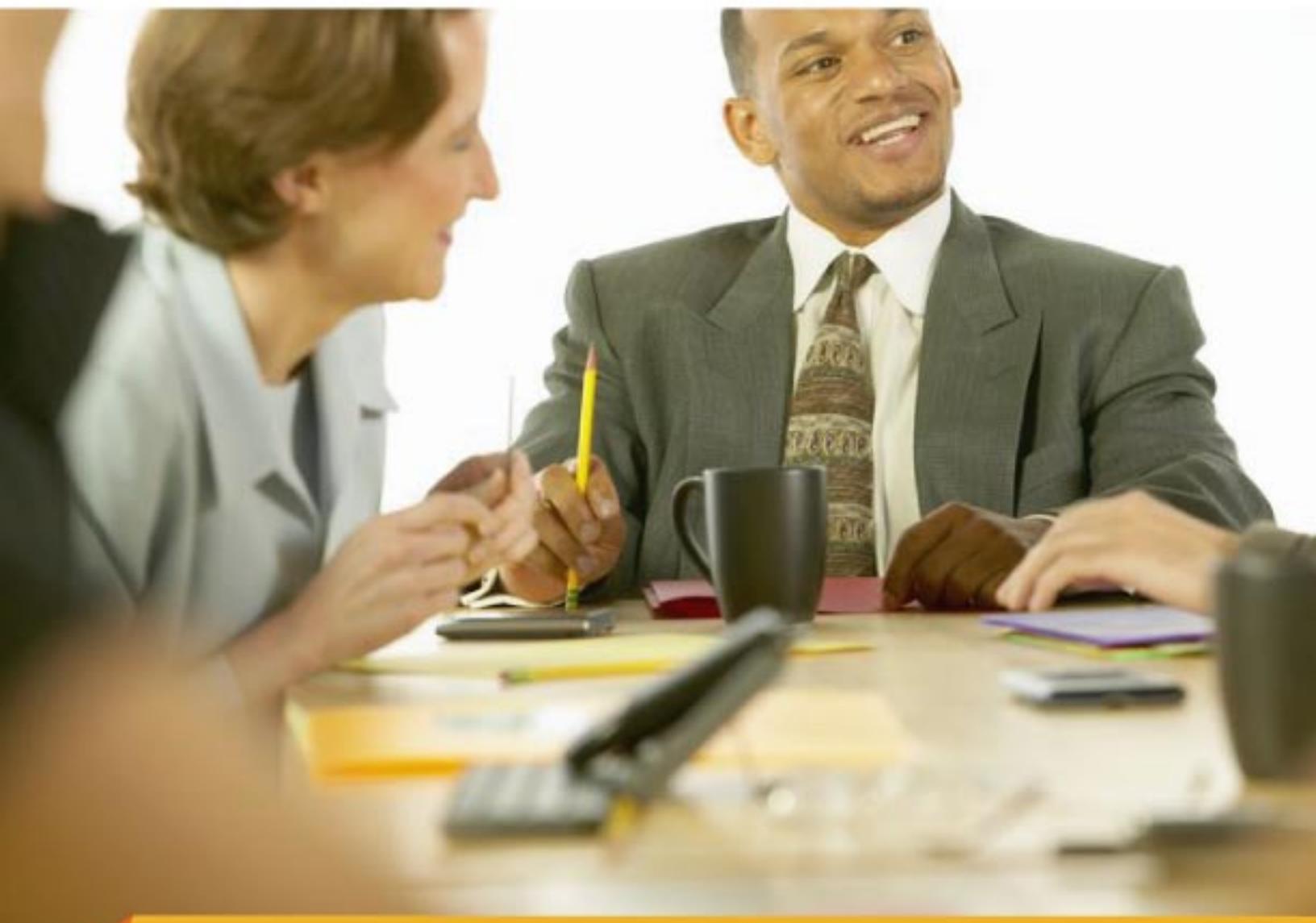


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Getting the Sale: Confirming the Commitment to Buy



The Relationship Selling™ Series

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“Nothing happens until somebody sells something.”

Arthur “Red” Motley

Marie came into the office with her briefcase in hand and a world-class smile on her face. It was obvious that she had good news and couldn’t wait to find someone to share it with.

When Joe made eye contact with her she made a beeline to him and proudly announced, “I may have just made the biggest sale of my career!” He burst into a grin and said, “Congratulations! I knew you could do it. What did you sell?”

She described the product package and told him the amount she sold. Others nearby could sense the excitement and came over to join in the moment. Now Marie had an audience, and she rose to the occasion by describing the details of the sales call she had just completed.

Finally Doug asked her, “Exactly what did you do to get the buyer to commit to a purchase that big?”

There was a pause as Marie searched for the right words. Then she said, “Well he didn’t actually ‘commit’ to the purchase yet. But he’s going to — and soon.”

You could almost hear everyone’s smile disappear. They had seen it before — not just with Marie, but also in themselves. There was no sale; there was only a stimulating conversation that “might” result in a sale.

Veteran sales professionals will agree when I say, “The odds of a lively conversation that doesn’t end in a commitment to buy later actually becoming a sale are less than 10 percent, and sometimes even worse.”

Salespeople are optimists. They have to be. It is their job to go out into the world with the hope of finding buyers and to persist until they actually produce sales. This optimism sometimes causes them to put entirely too much faith in a prospect’s enthusiasm to buy.

But they quickly learn that if they don’t convert that enthusiasm into a solid commitment, then they don’t have a sale.

We must become masters in the art of helping people to make commitments. Until they commit, we cannot help them solve their problems or enjoy the benefits of our products. Until they commit, we cannot justify spending extra time and energy with them beyond our sales calls. Until they commit, not much happens.

Marie needed to learn how to confirm commitment while she was selling. Even if she couldn’t confirm the final purchase on that appointment, she could have at least confirmed the next step or two with the client. She could have locked in the follow-up appointment, the names of the people who would “sign off” on the purchase, the process that would be followed in order to gain approval for the purchase order, or any number of other items. But she wasn’t commitment-oriented, she was discussion-oriented.

Any good talker can have a stimulating discussion, but only a good salesperson can lock in the commitment to do what you have been talking about. And that is the person who earns the commission dollars. Without the sale you are simply, as some call it, a “professional visitor.”

Here’s the rub — in their efforts to gain more commitments, many salespeople become “power closers.” These are people whose mantra is “ABC: Always Be Closing.” They put pressure on the buyer from the start to make a commitment, and in many cases they lose the sale by exerting too much pressure.

I recommend that you avoid becoming a “Closer” and instead simply learn to “Confirm” each promise the prospect makes. Be gentle and respectful, but be clear about what the intentions are, both for them and for yourself. They expect something from you, and you have the right to expect something from them as well. But you must make it pleasing for them to keep their commitments — otherwise they’ll simply buy from someone they like.

Confirming Versus Closing the Sale

To “close” means to end, shut, exclude, or finalize. If you close sales, then it is no wonder there often isn’t enough follow-through. After all, the sale was closed, right? Yet we use the word close to indicate the process of confirming a sale.

Why not just call it what it is? It's confirming the purchase. You don't close sales, you confirm them. A confirmation is something that makes the purchase official — a handshake, a check, a signature, or an agreement. Though the language of closing will undoubtedly continue to be used, let's remember that it is not about ending things but rather about beginning them.

Traditional salespeople study closing techniques as a way of building up their arsenal of weapons for the sales battle, but in *Relationship Selling*, salespeople see sales as a cooperative effort, not a battle. They study closing techniques, but they do it to give themselves various options to use with different types of people in different situations. It's a part of maintaining a smooth working relationship — selling to someone in the way they want to be sold to and making the buying process easy for the customer.

Traditional salespeople think of the close as a series of techniques used at the end of a presentation. These techniques are designed to get the prospect to say yes and to give you an order, even when they don't want to.

Consultative sellers, the types who would use relationship selling, take a much more enlightened view of confirming the sale. They don't think of it as closing anything — they see it as the opening, or beginning, of a relationship. They think of it as a natural process, the logical outcome of involving the customer in every step of the sales process.

The "Yes" Habit

There are two ways to involve a prospect in the sale — the manipulative way and the non-manipulative way. Traditional sales people often ask a number of trivial questions that give the prospect frequent opportunities to say yes or no. Some people believe that a prospect is more likely to answer "Yes" if she has gotten into the habit of answering yes to a lot of small questions prior to that. It's a twisted, manipulative game in which the salesperson wins agreement throughout the sales process, hoping that a lot of little yeses add up to the big yes. The problem is that the prospect answers yes to simple, superficial questions that don't necessarily build an argument in favor of the purchase.

The Sale Begins When ...

Other salespeople think prospects have a need to say "No." By giving them the opportunity to say no to a lot of questions, the thinking goes, the prospect will have the

nos out of her system and be ready to say yes when the salesperson asks for the sale.

Both of these tactics are ridiculous. The better way to involve a prospect is to make sure the two of you are on the same wavelength at all times. The ideal sales process is a mutual journey of uncovering a need, working on a solution, and confirming a decision to buy. When the journey is mutual, then confirming the sale is a matter of *when*, not *whether* they're going to buy. When the journey is not mutual, the salesperson spends his time trying to convince prospects that they need something that's being sold, and the sales process can become the type of unethical arm twisting that everyone hates, and which salespeople often have been blamed for doing. They even call this "creating the need." I maintain that you shouldn't be creating needs but rather uncovering or exposing needs, so that the person feels compelled to buy what they will actually benefit from, not what they've been coerced into.

Selling Without Manipulation

For the non-manipulative salesperson, one who practices *Relationship Selling*, the sale begins when a customer says yes. It's the start of an ongoing business relationship.

Think about it this way: confirming the sale is like asking someone to marry you. If you are proposing to someone and you don't know whether she will say "yes" or "no," it's not the right time to ask. The decision to marry is the result of a mutually developed relationship, and usually the issue has been discussed before the question is formally asked. When it's asked, it's almost a rhetorical question — it's simply crystallizing a discussion that's happened before. If it's a total surprise and you're unsure of what the answer will be, maybe now is not the time to ask. The same thing is true in a selling situation. Confirming the sale is simply getting the commitment to proceed with something that you both already agree is a good idea.

Always look for ways to come to a decision together — to confirm a commitment — not to simply close a sale.

The Benefit Summary

"Mr. Cathcart your guests are going to love our hotel!" the salesperson said. I had been talking for almost an hour about my upcoming meeting and what I needed from the venue where I would be holding it. I had not yet committed to book it with her hotel. "Their experience here will begin even before they arrive. Let me describe it for you," she continued.

"Once we receive their names from you, we will send them a welcome packet with information about the venue, the surrounding area, and the amenities available to them, plus a link to our website for early check-in. If you wish, we will coordinate with your own team to send out your materials in the same package. We can have them pre-registered, thereby making the check-in so seamless they'll feel right at home. Our staff will ensure that their welcome gifts are placed in their rooms in advance, and when they come downstairs for your opening reception, we will be able to call them by name in most cases. Imagine their delight in feeling welcomed like that."

As she went on describing the attentive and luxurious service her hotel offered, I became more and more convinced that this was the right place for my meeting. By the time her summary ended I was mesmerized! So, I said yes and promptly signed the commitment forms.

What she had done so effectively was to deliver a masterful benefit summary. She told me what I was going to get, how it would feel, why it was valuable, and when it could begin. Then she showed me how to confirm the purchase and I did so without resistance.

One of the most overlooked aspects of selling is giving a summary of the benefits toward the end of the buying process. In the summary, the points to which a prospect has responded positively are summarized, so you go over the actual benefits, not just the features, of your product or service — there's a big difference.

This is especially important if your prospect takes the information back to another decision maker. In this case, your prospect then becomes your salesperson — he or she is representing you. You must prepare the prospect well so that he or she represents you and your company accurately to the next person in the decision-making line. Take as few chances as possible with the prospect's memory; put everything in writing, and provide them with collateral materials if you can.

The same thing applies even when you're not dealing with a second decision-maker, but with just the individual in front of you. You can learn what benefits to emphasize by noting your prospect's reactions throughout the presentation — what they both did and didn't like — and by the data that you've gathered during the research you conducted before you made the call.

One way to involve your prospects in your presentations is to have them create their own list of benefits. Ask questions that cause them to imagine how they will use your product or service, and what benefits will come to them, and then ask them to list those themselves — this can cause a prospect to sell himself.

You can accomplish this by asking how your product or service will help him with a specific problem. And, after he tells you the benefit, ask what other problems this would help him address.

Next, **attach a cost to the problem** you are solving.

Ask, "Javier, if your people continue to sell in the way that they have up to now, how many sales do you think you will miss this year? What is the dollar value of that loss?" Or, "With the extra expense you incur each time you use your existing system, how long will it be before you've paid for a new system without even buying it?" Or, "How much is turnover costing you each month? Let's review the direct and indirect costs you are incurring right now so that we can see where your savings will be." Or, "When it comes time to replace your equipment, the overall cost will be (insert the likely amount). So, by installing our product to lengthen the life of your equipment, you will delay that cost for (insert the time frame.) As you can see, this is a pretty cheap 'insurance premium' to keep your equipment in service." Or, "By replacing your existing technology with a newer version of the same problem you will still have the same costs that you have today. But by converting to our technology, you will save (insert the amount) every (insert the time frame) and the system will have paid for itself in savings within only a (insert the time frame.)"

When your clients start to feel the cost of not buying from you, they will become more inclined to say yes. The way to know that they have reached that state of agreement is by looking for "buying signals" they are sending you, and once agreement has been expressed, the buying signals should turn green.

The language of a benefit summary is fairly simple. If you're selling a car, you might say, "Mr. Rush, we've talked about many things in the last hour. Let me summarize what I see as the benefits for you. You're looking for a car that will bring you prestige. You said you want something

that will travel smoothly at highway speeds, and you also mentioned that you want something small for easy parking. Then you said it was important for you to be the first person on your block to have one, because you don't like having the same car that everyone else has. Is that pretty accurate?"

Then he says "yes" or gives you a correction. You then say, "Based on all of those things, seeing as this car is unique and new to the market, you're likely to be the first one in your neighborhood to have one. It is, as we've seen, small enough for easy parking, and travels smoothly at highway speeds. It's also a prestigious car; it's one that, when they see it, people respect the buyer of the car as someone of substance. Based on these things, why don't we go ahead and get started today?"

When you summarize what really matters most to them, you have stimulated the feelings that will cause them to say, "I'll take it."

Resistance — Objections Are Feedback

"That's way too much money!"

"I can get this for less from the other guy."

"Let me think about it."

"I'll give it some thought and get back to you."

"Can't you do better than that price?"

"Get back to me after the end of the year."

"Frankly, I don't believe you can deliver that much value for that price."

One of the biggest areas of concern in sales training has been handling objections. In the old industrial-era mindset, we used to look at objections as a barrier that had to be fought over until somebody won. It was a battle of ping-pong, more or less, back and forth across the net. The person serves you an objection and you respond with a creatively crafted response, which supposedly causes this person to want to buy. It goes back and forth until either they run out of objections or you run out of crafty responses.

First off, let's get rid of objections all together. If there's an objection, things have already gone too far in a negative direction. Deal with objections while they're still merely concerns.

Concerns are feedback. When you hear an expression of a concern, don't take that to mean, "I'm not going to buy," just take it to mean, "I'm not sold yet." There's a big difference. Very few sales proceed from start to finish with the customer agreeing on every point.

Similarly, few customers disagree with one hundred percent of what you say. Somewhere in between those extremes are the give and take, the percentages that represent today's sales meetings. You will have a much healthier attitude and more effective sales behavior if you welcome the resistance you get rather than fear it. Welcome it as a form of feedback. They usually aren't objecting to buying from you, they are merely resisting it until they are convinced of the wisdom of saying yes.

Let's take a look at what you currently do to uncover resistance. Recall a recent unsuccessful sales attempt where you handled the prospect's resistance poorly or ineffectively. What was your customer's concern? Write it down and think about it. (Seriously, stop reading for a moment and write it down.) How did you respond? How might you have answered more effectively now that you have a chance to reflect on it?

When someone tells you they think that your price is too high, how do you respond to that? When a prospect has doubts about the quality of your product, or about your company's reputation, or they doubt what you say because they haven't heard of you before, what do you say? Do you become defensive? Does it show in your tone of voice?

On a scale of one to ten, rate yourself on the qualities needed when dealing with customer resistance:

- Your confidence level when they resist
- Your confidence in your company or your product
- Your product knowledge
- Your knowledge of your industry
- Your knowledge of human nature, personality differences
- Your ability to avoid an argument and still achieve a result
- Your calmness under stress
- Your ability to be diplomatic

Each of these is an area you can cultivate to become more effective in dealing with resistance. Take a look at what you do now, and that will tell you what you need to do in order to be more effective in the future.

Why Customers Resist and What to Do About It

Why is it that customers resist buying? Actually, they don't. They might resist buying this product from you at this time but when it comes to buying:

Customers love to buy!

Every one of us loves to buy, we just don't want to be sold. We don't like others convincing us to buy — we like to buy because we want to.

So what causes someone to resist? There are many possible reasons:

- **No need.** Maybe what they need is different from what you're offering, or they don't see the connection between what you're offering and what they feel they need. This can also lead to "no interest." If they don't need it, they probably won't find it interesting to discuss buying it. Also, if you are selling them an incomplete solution, they will surely resist. Look for a way to be a better resource for them. Be sure that your product will make their lives better once they've bought, or, if you're suggesting more than they need, a smaller, more precise solution might get the sale.
- **No trust.** Maybe they just don't know you well enough yet to trust you. Maybe they don't know your company, your product, or even your type of product well enough to trust it. Do what you can to build credibility and to prove to them that your claims are valid. Or, suppose a company with a name similar to your company's name was recently in the news with bankruptcy or legal problems. You will need to be prepared to put their mind at ease and show them evidence to assure them that they are safe with you. Give them proven, documented reasons to proceed confidently.
- **No authority.** Maybe they don't have the clout, the position, the written authority, or the formal authority to make such a sales commitment. If you are selling to the wrong person, then you are wasting your time and you will not produce a sale. Find out as early as possible if your prospect is qualified to say yes if they see something they like. You should also find out at what point their decision-making authority ends.

• **Or maybe it's just their ability.** Maybe they don't have the money, the resources, or the time to commit to a purchase. If they can't commit, they need your help in finding ways to solve their problems creatively, or you just need to move on to a better prospect.

So it's no need, no trust, no authority, no ability, or maybe you even have the wrong product or the wrong features. Maybe what you're offering is close, but not quite what they're looking for. Maybe it's too small, too large, too much, too little, too soon, too late — it could be any number of things. Maybe it's the wrong price, maybe they can't afford to buy what they truly want or need, and so you have to find a way to help them acquire a little of it until they can make a larger commitment. It's also conceivable that the issue of price is a cover-up. Sometimes prospects say it costs too much when what they really mean is, "No, I think my boss would be mad if I bought this because I don't see how I'd explain it."

There are *types* of resistance. There's valid resistance, which is legitimate — they actually don't have the resources, or they have an honest reason for not saying yes to you. There's not much of a way out of that one. If the resistance is genuine, if there is not a good reason for them to, they shouldn't proceed.

Then again, more often than not, the resistance can be a smokescreen. It's what we call invalid resistance. They say, "Leave your material with me; I'll look it over when I get a chance," or, "I'm going to have to discuss this with my partner, my wife, my boss, etc." Maybe that's truly the case, but oftentimes they're telling you that just to get rid of you.

Invalid objections can pose a challenge to your attitude. You must stay positive as you handle the resistance. For example, you could say, "I understand you're busy, so may I see you this afternoon or tomorrow morning when you've got more free time?" Or, "I don't mind leaving some materials with you. I'll be happy to do that, but I get the impression that you're still unclear on some aspect of what we just discussed. Is there any area where I can add a little bit more information so that you feel more comfortable with going ahead?" Or, "I don't blame you for wanting to involve your partner, your wife, your boss, etc. in this decision. Let's ask her to join us now for just a moment, and I'll bring her up to speed."

To find out the real reason behind resistance, use the following four-step process:

- 1. Listen carefully**, don't interrupt them, and hear them out.
- 2. Check your understanding** by giving feedback, like, "Let me see if I understood you properly, here's what I hear you saying. Is that accurate?"
- 3. Address the issue** effectively by using logic and emotion. In other words, talk about the feelings, but also talk about the logical reasons for buying.
- 4. Confirm the acceptance** of your solution. If you handled it well, it shouldn't be an issue any longer. Ask, "Does that put your concerns to rest?"

Let's look at an example of the four-step process in action. I've always been good at taking care of my teeth. Every few years, I had fillings or a crown, and I always had regular cleanings by my dentist. So when Stephen showed me photographs of my mouth from a variety of angles I expected to see a pretty good-looking mouth — after all, I looked at it each day when brushing.

But as we sat in his office looking at the photos on his computer screen, I was shocked! He showed me front, back, and inside photos of views I couldn't have seen in my own mirror. The fillings I got when I was a teenager were now deteriorating, and I needed some serious dental work. Stephen told me what was needed, and I asked what the cost would be for all of it.

He replied, "\$10,000." I gasped. No way! I thought. How could I ever pay that much for dental work, especially since I wasn't in pain, nor did I have ugly teeth when I smiled? But I didn't say "no way!" — instead I simply looked at him with that hopeless look one gets when experiencing "sticker shock" at a high price.

Stephen listened carefully to my concerns and asked me if I wanted to correct the problem now, or wait until each tooth became a problem later and do them one or two at a time. I said I wanted to correct it as soon as possible to avoid pain and greater decay. At that point, we didn't have a price problem — we had a payment problem. He told me that it was natural for me to be stunned by such a large price. He reassured me that if there were a cheaper way to do it he would recommend that, but he didn't know of one that would last.

Then he explained how we could do the work in stages. He told me the price of each stage and the drawbacks of waiting. He showed me some payment plans and explained the true cost of financing the payments.

In the end, I agreed to have all the work done as soon as possible, and I put the entire purchase on my credit card. Man, that was a tough pill to swallow! But he did the dental work, and today I have a healthy mouth that should last me for decades.

When you learn to follow the four-step process as well as Stephen did, you too will be making many of the sales that you might miss today.

Once you've dealt with the resistance, you are in a position to ask again for the sale. This is a great time to ask another confirming question. "Then, you will need four of these units to meet your needs, is that correct?" If they give you a number, then they are ready to buy.

So when do you respond to resistance? The best time to do so is before it even comes up.

Every product or service has strengths and weaknesses. Knowing your weaknesses and having an answer built into your presentation is a very smart thing to do — handle it before it comes up. This also allows you to keep things in perspective. For yourself, list three common issues customers mention that represent a potential weakness. Then, write down exactly what you can say in response to these issues to restore confidence in your product.



The company always liked to take a Good Rep, Bad Rep approach to sales calls.

If you can't respond to resistance before it arises, try addressing it immediately after. Customers don't want to be ignored, so when they bring something up, address it. Unless you have a logical reason to postpone your answer, handle the resistance right away. It shows that you're in control, you're confident, and you know what you're talking about.

The final way to respond to resistance is later, after postponing. This could be a matter of just choosing the right timing in your presentation to address the key issues. You might say, "That's an important question, and one I'd like to cover in a few minutes, if you don't mind. I want to put this in perspective so the price will have some meaning to you. Is that OK?" Stay tuned in to their responses, keep on track with your presentation, and you'll build confidence in your sale.

A frequent request that often presents some difficulty to salespeople is the question: "What does it cost? Just tell me the price." Your dilemma is: Do you quote the price and possibly end the discussion? Or, do you resist exposing the price and increase the tension between you?

Here is an easy way to address that one: Simply ask, "Is price the only criterion you will use to make your decision? The reason I ask is that most buyers are more concerned with the cost of buying than they are with the price of the purchase. So, let's look at the price in context with the value of the purchase to you. Here is what you are currently paying..." In this way, you continue the sales dialogue and disclose the price in context, instead of just stating the amount and ending the discussion.

Handling "It Costs Too Much"

What do you do when someone says, "Your product or service costs too much?" When they say, "It's too expensive," how do you handle that type of resistance? If you treat it as an objection, you immediately put yourself in a combative posture with the customer. Rather, as I've stated many times, I would suggest that you treat it as a concern. What does "it's too expensive" or "it costs too much" really mean?

There isn't one universal meaning — it means different things to different people at different times. Your first task is to figure out what this particular prospect meant by it. Your prospect says, "It costs too much," and you say, "Costs too much in what way?" He then says, "It exceeds our budget for this year."

Now he has told you that it's a budgetary limitation you're dealing with. So what can you do? One, look for another line item within the existing budget where you can get the money, or two, look at the next budgeting cycle and get it built into the program for next year's budget. What you do NOT need to do is reduce your price — price isn't the issue, budgeting is.

CASE STUDY— A Moving Experience

A salesperson for a moving company tells this story about handling "it costs too much":

I was assigned to see a family that was moving from Cleveland to Los Angeles, with all the expenses to be paid by their employer. They had already signed up with another company at a much lower price than I ever could quote. Undaunted, however, I pressed on. At the end of my presentation to the woman of the house, I was never more astonished in my career than when she announced that she would switch the job to us and pay the difference out of her own pocket. I couldn't help asking her what I said that had caused her to switch movers.

She answered: "When you told me how the movers would carry those special containers you have with our clothes in them up to the rooms in my new house wearing gloves, and when you described for me how nice and fresh and wrinkle-free the clothes would look when they came out of the special containers, and I realized how much time and money and hassle I would save in laundry and dry cleaning — well, that was when I decided to let you handle our move."

Someone might come back by saying, "That's more money than I've ever spent for something like this." In this case, your prospect may simply be feeling resistance, a reluctance to commit because of the size of the purchase. Here you could respond by showing how prices have changed in many areas over the years, "Remember when gasoline was only \$1 a gallon? Or a telephone call was 25 cents? As prices of homes, cars, and other things have gone up, we sometimes get 'sticker shock' when we see the current prices of things we haven't bought in a long time. But I can assure you that our price is not only fair, but also reasonable in today's market." You could also talk about how the benefits they will receive or expenses they'll save far outweigh this extra commitment that they're making.

It could be that when they say, "It costs too much," they're saying that the product is not worth what you're charging. "I could get this same kind of a product for 20 percent less by just going down the street." They're telling you to show them how the other alternatives will not meet their needs, while your product will. You're in a balance sheet kind of a situation, showing their product or their other alternative versus your product or your possibilities. It's a matter of weighing values.

They might say, "I don't think my wife would go along with it," or, "I don't think my boss would go for it." In other words, "I'm not in this alone, I'm not the only decision maker, and I need somebody else's approval. Unless you can convince me that this is a good enough idea that I can justify it to other people, then I'm probably not going to commit today."

A prospect may say, "I don't mind the overall price. What really bothers me is that the monthly payment seems pretty high." That's a matter of financing and terms.

Or they could say, "The payment is OK, but the overall price is so much." In that case, you need to put that overall price in the right context for them so they can see that, by being able to afford it on a monthly basis, they'll also be able to justify it on an overall cost basis.

They might say, "It's going to take too much time, too many resources, or too much energy on our part to put this into practice." Actually they're not resisting the price as much as they are the overall costs. Or, the purchase is threatening their peace of mind by seeming to represent even more work for them.

Sometimes people say, "I'd rather not buy right now." In other words, it has nothing to do with the costs — it might be something that you missed earlier in the sales dialogue. Maybe you didn't connect with them well enough that they feel comfortable with you yet. Maybe you didn't find out enough about them to convince them you truly understand what their needs are and you really are recommending the right thing. Or maybe they have too many things on their minds right now to make yet another decision with confidence. Sometimes delaying the final decision is a good idea — just don't wait too long. Maybe the way you made your presentation was so one-sided and seemingly manipulative that they don't trust that you have their best interests in mind.

When someone says, "It's too expensive, it costs too much," just recognize that as the beginning of a new discovery on your part, so that you're able to understand the situation and the person even better. You have the chance to make recommendations and show value that will get them to say, "You're right, that's a good idea, I'll take it."

Recognizing Buying Signals

I said to the salesperson, "Looks good to me." She said, "Great, now here is another feature that I think you will like..." A few minutes later, I picked up the order form and got out my pen. Still, she continued the presentation. When she explained their financing options I interrupted her and said, "That won't be a problem." She then pointed out even more about the product.

Now it may be obvious to you that I was ready to buy, but she didn't seem to notice at all. She almost lost the sale because she wouldn't shut up and finalize the purchase. We need to be alert to the buying signals people send when they have made the choice to buy. It may be subtle changes in their posture, bold statements of interest like mine above, or other forms of agreement. It is our job to know them when we see them.

Do you know how to recognize buying signals? They are opportunities for you to confirm the commitment to the sale. The key to recognizing these opportunities is to know your prospect. By the time you get toward the end of your sales presentation, you should be familiar with this person's behavioral style and other personality traits they possess, and you should know how they will respond to various ideas. This knowledge will help you understand the signals they're sending — buying signals or not-buying signals.

Always be sensitive to the prospect's needs. If you're in the middle of a presentation and you get cues that it's time to ask for the order, do so. But make sure that you've created sufficient perceived value in your prospect's mind. In other words, don't just ask them to say yes, do it in a way that you're sure they have proper justification for making that decision — that they've thought it through, so they have the documentation to be comfortable with this decision. If necessary, condense your presentation, but don't just stop abruptly. Give a quick benefit summary, and then ask for the order. Find out what's needed and provide it.

It helps to be able to recognize a prospect's verbal and non-verbal buying signals. These come in three types. Think of a traffic light — red, yellow, and green. Red would

be the stop light, and that's a negative signal. It says, "I'm not ready to buy." Yellow would be neutral or caution, and that says, "I'm not sure, I haven't made up my mind yet." And green, of course, is go, and that means, "I'm positive about this, I'm pleased, and I'm interested in buying."

Listen to questions your prospect might ask. Sometimes they're good indicators of his mindset. Learn to interpret the questions and comments within the context of what you're suggesting to the person. Some typical questions could be on the positive side, green lights, like, "Could I try this one once more?" Or, "Is it possible to install this on a trial basis? Could we get started now?" Or, "What kind of warranty or service contract comes with this?" Or, "What sort of credit terms are available?" Or, "How soon could you deliver?" Those are all positive signals.

Here are some questions that would indicate caution, or the yellow light, "Is this system more reliable than mine?" Or, "This is interesting, what else can you tell me?" Or, "How does this compare to the cheaper version they sell down the street?" Or, "Can you leave some catalog sheets with me so I can go over them with my colleagues?"

And here are some negative signals — red lights that tell you the person is not ready to buy, "I can't consider this with interest rates being as high as they are." Or, "Will these prices still be good say, six months or a year from now?" Or, "You know, I'm over-stocked now, where am I going to put more merchandise anyway?"

These signals give you an idea of where you stand. If the person gives you yellow signals, then she's still undecided. Perhaps you haven't given her enough information, or the right kind of information, yet to show her the true value and the safety of saying yes to you.

When the buying signals are red, it's time to back up a step or two. Give a benefit summary, which is always a good transition, and politely ask an open-ended question with direction indicated, such as, "Where do we go from here?" Or, "What's our next step?" When you get the negative signals, the main thing to do is know that you are not yet ready to ask for the order. You need further information to know truly where the value is for this customer. You must show the link between your product or service, and the value she will receive.



"Can't you wait until I finish my recommendation?"

Above and beyond the specific suggestions, remember to always stay tuned to what's happening in your prospect's mind. Here are some suggestions as to what to look for in a prospect's body language, the non-verbal messages:

- **Prospects who sit with open arms are usually receptive to your idea.** If they suddenly cross their arms tightly, they're indicating defensiveness. When they're defensive, find out what's wrong, and work on the relationship for a moment. Leaning forward, listening carefully, and nodding in agreement usually show interest. If they're doing this, they're with you.
- **A prospect who is supporting his head with one hand and gazing off clearly has lost interest,** or may be thinking about one of your ideas. You might want to provide them a moment or two to think it through.
- **People relax when they decide to buy** — this is key. When you see a sudden change in their physical behavior, they may be indicating a change in their mental attitude. If they've been tense and all of a sudden they relax, they may have just made the buying decision. If they've been relaxed and they get tense, they may have just decided against going ahead. Whenever you see the body language change, make sure that you explore it to see what just took place.
- **Happy, animated facial expressions usually show that a prospect is relating well to you,** but make sure that they're relating well to the benefits of your product or service as well.

Buying signals, verbal and non-verbal, are a great way for you to stay tuned to people so that you know how to guide them to the best decision.

Ten Power Factors in Negotiations

Negotiation is one of the key selling skills, which can be intimidating for many people. **Negotiation is simply a dialogue. You're weighing pluses and minuses. You're looking at options and finding the best solution for all people involved. It's one of the oldest skills used to gain desired results.**

It's also a skill that many people misunderstand, but negotiation is simply the way we interact with others to compare offers and relative value, as well as analyze our decisions.

The three factors that affect negotiation, according to negotiating expert Herb Cohen, are power, information, and time. The person with the most power has an edge, the person with the most information has an edge, and the person with the most flexibility of time has an edge.

A few years ago, I had the opportunity to work with Dr. James Hennig in the authoring of a program called *Negotiating Your Success*. Dr. Hennig is a specialist in negotiation, and he identified ten factors that affect power in negotiation. Let me go over them with you.

1. Alternative power. The one who has the most alternatives usually wins. Know the alternatives, both your own and the opposition's, and be prepared in advance to explore those alternatives. If he has to make a purchase decision this week, then you know that his time and flexibility is limited. On the other hand, if you must make the sale this week for some reason, then he has the edge over you. Allow for that as you plan your presentation.

2. Legitimacy power. What kind of credibility do you have? Do you have the power that comes from a great track record? What has your past performance been? Do you have power that comes from referrals — either other people are saying great things about you, or you have people in power positions who are lending you their power by saying that you're a good person? Do you have title power, an academic degree or license, an award, or an honor that gives you an edge? All of these fall under legitimacy power. When you are the world's best source for your product, or if you are

number one in the marketplace, then you clearly have an edge. When your product is new or unknown, you must find ways to build credibility and provide proof.

3. Risk power. Who's most at risk here? Can you afford to have this negotiation fail? Can they? If you must make this sale in order to survive, then your desperation will influence the deal. On the other hand, if you can put yourself in the position to be able to walk away with confidence, your self-assurance will make you much more convincing. Don't sell from weakness — learn to always operate from strength.

4. Commitment power. What is their commitment to the position they have taken? In other words, the person who's made more of a commitment to their position has more power. But then again, the person who's made more of a commitment to their position is less likely to be flexible, so they have fewer alternatives. What you don't know can hurt you, so find out what kind of commitments have already been made. Avoid making absolute statements in your presentation, like, "This is the way it is!" That puts you in the posture of having to defend that claim. Take your positions gently with statements such as, "Based on my experience, I've found the following to be true." Be flexible as to how you fulfill your promises, but above all, make sure you keep them.

5. Knowledge power. The more you know, the more options you see. The more options you see, the more possibilities there are before you. The more possibilities you have, the more likely you are to succeed. There's topic knowledge — knowing specifically about the topic on which you're negotiating. There's negotiation knowledge — knowing about negotiating itself and being able to handle negotiations intelligently. And, there's knowledge of the opposition — knowing the other party, your competition. The more you know about them, the better you're prepared to deal with them. The person who knows the most always has an edge. This is especially true when you know more about their situation than they do. Study your clients and prospects thoroughly.

6. Expert power. When you lack knowledge personally, sometimes you can bring in an expert or refer to an expert source and gain power that way. If you are an expert, that's an edge. But if you employ an expert, that's almost as good. Have your sources and resource people clearly in mind as you negotiate.

7. Reward or punishment power. The ability to reward or punish provides power in negotiation. A warden in a prison has almost absolute power over the inmates. Negotiations with a warden begin with weakness on the part of the inmate. The same is true in school when your teacher has the power to give you a passing or failing grade. And in a sales negotiation, the same dynamic exists, but that doesn't mean you don't have potential. It just means that you need better tactics in situations like that. Plan more carefully when your options are limited.

8. Time or deadline power. Personally, you should try not to have a deadline, but you should definitely know the opposition's deadline. When their deadline is approaching and yours is not, you have more flexibility, and thereby more power. If you have to have a decision today, then your opponent will have the edge. So what do you do? Recognize that factor and build a compelling case for why they should make the commitment today. Don't focus on what you need — focus on what they can get by saying yes to you today.

9. Perception power. Sometimes it's not the person with the power that has the edge, but who is perceived to have the most power. This is what bluffing is all about. If you think that I have great influence, even if I haven't said so, then you will be likely to defer to me instead of challenging me.



"One small sticking point: Who's going to handle product delivery costs?"

10. Relationship power. Negotiating is not about beating the other person into submission. Negotiation is about connecting with the other person and reaching a decision in such a way that both of you are happy with the outcome. When the relationship is good, details rarely get in the way. People like to do business with people they like. Be their business friend, and help them get what they can in the ways that are profitable to both of you.

My friend Dr. Tony Alessandra often says, "When two people want to do business together, the details won't keep them apart. But if two people do not want to do business together, the details will not confirm the deal."

The Pilot Program and the Puppy Dog Sale

Many years ago when I was first being trained as a salesperson, they taught me what was known at the time as "the puppy dog close." This is the technique of getting someone to answer "yes" to a sale, by giving him the product to take home on a free trial. The analogy to the puppy dog is this: if a person stopped into a pet store and saw a little puppy, and they were debating about whether to make the puppy a part of their family, the store owner would often say, "Here, let me hand you the puppy." The person would start holding and cuddling the cute little puppy. Then the owner would say, "Why don't you just take it home tonight and let your family get to know the puppy. If you don't want him, just bring him back tomorrow."

Now what's going to happen? You're going to take the puppy home, and everybody's going to be excited. They're all going to want to hold the puppy and play with it — the entire family is going to put their focus on this puppy overnight. Then, either someone in the family or some neighbor is going to say, "Oh, you have a puppy! What's its name?"

Well, trust me — when you come up with a name for it, it's family. It's there to stay, and there's no way you're going to take it back to the store the next morning.

CASE STUDY — Art on Trial

One evening, my wife, Paula, and I had a few minutes before our dinner reservation at a local restaurant, so we wandered into an art gallery. The salesperson noticed us admiring a piece of art and inquired about our interest. When he was convinced we were likely buyers, he asked, "Would you like to take it home for the weekend to see how it fits into your home?"

I quickly said, "No thanks." However, to my surprise, Paula said, "Yes!"

Well, once it was hanging above our fireplace, we both fell in love with it — the idea of returning it never crossed our minds. We called to confirm the sale, and we still enjoy the painting today, many years later.

The same thing is true for trying out a new piece of equipment. Not on the same emotional level, but it works as a fundamental principle. When you take it home or bring it into your office, you install it. When you start to experience the new product, you get accustomed to it in a new and different way. You see, prior to taking this trial purchase, you were considering whether or not to buy. Once you begin the trial process, you are looking for reasons to reinforce your decision to say yes.

This pilot program, allowing the customer to use and enjoy your product or service, is a very powerful form of convincing them that they've made the right decision. You could say, "Look, I can see you're undecided. Why don't you take this quantity of them right now, and see how you like them. If you like them, we'll do more business. If you don't, I'll take back those that were unused."

What happens then is that the customer sees an easy, non-threatening way to get started with their commitment to buy. The right way to use the pilot confirmation is to assure that the customer is satisfied once a commitment exists. When a customer says to you, in essence, "If everything you said is true, then I think I want to buy," offer them a trial run. It's an easy way to help a customer become comfortable with the commitment they want to make. In this situation, his perception will be positive, and he will look for things that are right.

That's why a pilot program is a powerful tool for assuring customer satisfaction, not just a technique for confirming a sale.

Timing — When to Ask for the Order

Sales people often ask me, "If I'm in the middle of my presentation and my prospect gives strong buying signals, should I stop and ask for the sale?" The answer is both yes and no. You don't want to continue to the end of your presentation and risk boring your customer before you ask for the commitment. But, you can't drop everything and just ask for the sale. Why not? Because you have to create a perception of value in your prospect's mind by furnishing features and benefits that put everything in the proper perspective for them. The key is to shorten your presentation, speed it up, and cut out any unnecessary or less important parts. Get to the most relevant points quickly, and then ask for the commitment.

When should prices be revealed? As mentioned earlier, price and cost need to be seen in context. Everybody comes into a situation wanting to know what a yes decision will cost him. Many times a customer will ask as their first comment to you, "What does it cost?" You can tell him what it costs, and sometimes he'll just turn and walk away. I prefer to answer his question in a much broader context. In other words, instead of saying, "It costs \$214," I would say to him, "The cost of it depends on several key features." Then I would focus on the features related to his needs, and tell him what the price is — but only after I pointed out the best features.

On the other hand, if a person is impatient to get the price from you, what you want to do is tell them the price, but ask their permission to put that price in context. Say to them, "I'll happily tell you the price, and I'd appreciate the opportunity to show you why that price makes such good sense." Then explain the two or three key features that make this price a very good buy.

There are many ways to delay giving prices. The most honest way is to say, "With all due respect, out of context, the price is meaningless and doesn't carry any value to either of us. If you don't mind, I'll be happy to tell you about the price, but I'd like to tell you more about the product first to put that price in the proper perspective."

You can also say, "There are a number of different plans available, ranging from \$X to \$Y. I'd like to give you a better feel for our product or service so you can see which

plan suits you best. Then I'll know exactly what the price would be for what you want to get."

If you sense that this is acceptable to the prospect, you can continue by asking some more information-gathering questions. Then quickly focus on the values that you can bring him. If he keeps asking, offer a range of prices, "The price can be between \$X and \$Y." If they ask a third time, and it's getting to the point where you feel like this is combat, then relax, tell them the price, and then talk about their needs.

It's better to risk telling the price too early than it is to risk making your prospect angry or suspicious of you. Giving a price before creating a sense of value in your prospect's mind is a disservice to both the salesperson and to the customer. In a sense, the customer is then misled because she does not know what she's getting for the price, which makes the price meaningless. She's more apt to reject the product or service based on inadequate information.

At the same time, the salesperson is prevented from accurately presenting the product or service and loses sales due to the customer's lack of understanding. So, in order to give the price in the right context, always say, "The price for this benefit, this benefit, and this benefit is only," and then state the price.

An interesting way to put price into perspective is to answer price inquiries with this:

"Are you more concerned about the price or the cost?" When they ask what the difference is, tell them, "The price is the amount you pay to acquire the service. The cost is the impact owning it has on your finances. At first, all of us are concerned about the price, but the minute we buy, we become vastly more concerned about the cost than the price." "In your case, the price of this service is \$1,400 for the first year. But the cost of it is why you should buy — after you've used it for nine weeks, it will cost you nothing because you will be saving \$95 on every application. In 6 months, that means you will have saved over \$3,000! So as you can see, the price only matters for a few weeks, while the cost will actually pay you dividends indefinitely."

Another way of answering that is: "Do you mean what will it cost if you buy or what will it cost if you don't?" When they inquire as to the difference you can use the same logic described above, but the focus is on the savings they'd lose by not buying today. You might even ask them, "How much longer can you justify paying \$95 more for each application?"

Asking for the Sale

Ask for the Order

If you don't ask people to buy, chances are really, *really*, really good they're not going to buy. Like Marie, who had a very interesting conversation with her prospect but never consummated the sale, it's easy to have good conversations — but it only truly matters when you actually make the sale. A lot of times if you watch a salesperson, you will find that they operate by a different assumption — they assume the person will ask to buy. They make their presentation. They present all the appeals that they can offer. They build value and then they keep watching the customer, hoping the customer is going to take it and run. They hope the customer is going to say, "Yes, I want to buy it," "OK I'll take it," "Let's get started," or something like that.

Most customers want to be led. Customers want you to let them know when the appropriate moment is for them to commit to buying. If you don't ask for the sale, chances are good that you won't get it.

How to Ask for the Sale

You could ask in a way that's very non-threatening, very indirect — what we would call an *assumptive sales confirmation*. This is generally using questions that determine whether a prospect is ready to make a commitment. The assumption is not that you are going to force the sale, but that you and your prospect have been, and continue to be, on the same wavelength — so the sale is a given.

Even so, assumptive confirmations must be used respectfully. Here's one, the **alternate choice** — this is where you pose two alternatives. Instead of between yes and no, they're *choosing* between yes and yes. "Do you want delivery made to your New York warehouse or your New Jersey distribution center?" Either way, they're buying. "Do you want special terms, or is our standard two percent in thirty days good enough for you?" "Do you want the standard service contract, or would you like the more comprehensive coverage for this?"

Another way to use the alternate choice is to test the waters. If the prospect's buying signals are unclear, you could say, "If you were going ahead with this today, would you want the modular office system or the custom-designed

layout?" Notice you're not asking them to make a commitment, you're asking them for an interest. "Which of these is more interesting?"

Another assumptive confirmation is using a **minor point**. This seeks to get the prospect to answer a question about a minor detail of the product or service. If the question is answered, the assumption is that the sale is going to be made. It's not a very safe assumption unless buying signals are clearly positive. So non-manipulative, relationship-oriented salespeople use minor points as stepping stones toward confirming the sale, but with a slight twist from the traditional approach. **The questions are asked as a way to get the prospects to visualize owning the product or service.** This is a part of information gathering, and it's an effective way to get someone involved in the sales process. A question might be, "Where would you be using this cell phone the most? Would you be using it while traveling in your car? Would you be using it in a remote office, or would you be carrying it with you all the time?" You could say, "Do you want to train your entire staff at one time, or do you want to train just a few at a time?" You could say, "Would you want your VIPs picked up at the airport in a limousine, or would you prefer that we use our shuttle bus?"

Whenever you're presenting a minor point like this, you're getting the person to commit to a portion of the decision that constitutes the overall sale. We all know that a picture is worth a thousand words, so get your prospects to visualize the ownership and use of your product or service — you'll smooth the way for their acceptance of it.

Another technique would be **physical action** — to actually begin the buying process. You pull out an order form, and you start filling in the information, just assuming that you're proceeding with the sale. You'd use this technique only if the signals you're getting are clearly green, "go ahead" signals. Otherwise it's rude, insensitive, and absurd to ignore people's resistance and continue writing up the sale. So, as you pull out the order form, do it early, and start filling in information as you go along. If the person says, "Hey, I haven't decided to buy yet," you say, "That's fine. I'm just recording this information in the event that you do decide to." Then you go right ahead.

Another way to ask for the order is the **direct confirmation**. There's nothing wrong with being straightforward. Just confidently ask for the sale — it's the natural thing to do if you've covered all the points. But most sales people

neglect to ask for the sale. Without fail, corporate buyers report that salespeople continually flop by being poor listeners and failing to ask for the sale. Fear of rejection is the only reason why someone would fail to ask for an order. If you've conducted the sales process in a consultative, relationship-oriented way, you don't have anything to fear. The communication is open, you understand the person, and you've solved his problem by showing him the value he will get from you — now is the time to ask for the sale.

Many buyers appreciate a **no-nonsense approach**. There is nothing wrong with saying, "*May I have your business?*" It's both direct and polite. But be careful with whom you use it. People who are very direct and outgoing appreciate it, but those who are more reserved might feel a little intimidated. Whatever you do, avoid asking in a negative way, like, "*Why don't we write up an order?*" Or, "*Is there any reason why we shouldn't go ahead?*" That puts the emphasis on the negative factors, not the positive reasons for saying yes.

Instead say, "Let's set up your account for next week so you can start using this service as soon as possible." Or, "I have a truck coming into town this Thursday; I'll put your order on it. How's that?" Or, "I know you're going to be happy with this system, may I turn your order in today?"

Traditional salespeople often say something like, "What will it take to get you to buy today?" That question is confrontational. What will it take? First off, you're putting all the responsibility on the buyer. You're asking them to tell you how to sell to them. Through the course of your interaction, they will ultimately tell you — but not in a direct confrontation like that one. Instead you might say, "How can I help you today, what is it you're looking for most in an automobile?" Or you might say, "Glad to see you today, is there any particular model that you're interested in right now?" Or, "What brought you in here today? This is a great day for buying a car."

All of those are positive, but none of them are confrontational. Look for a way to ask for the sale whether you're greeting the person, summing the information up, or showing your product versus a competitor's product. Ask for the sale at the appropriate time, in the appropriate way, and make it clear that the customer knows that he or she is saying yes to a sale.

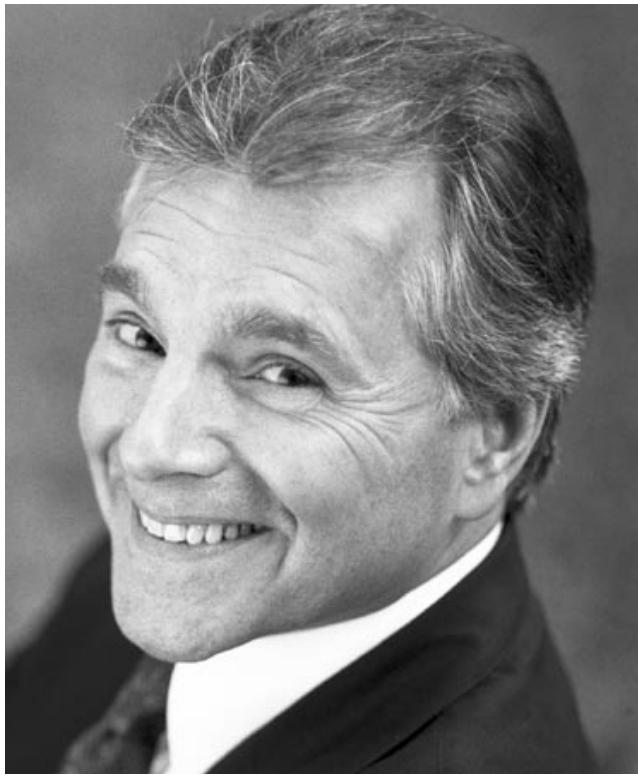
Finally, there's the **act-now confirmation**. Telling your prospect about something like a potential price increase or a promotional special can often motivate an undecided

buyer and create a sense of urgency. "Hey, my company has just announced that prices will go up by five percent next month due to supplier increases. If I can write your order up right now, you can stock up before this increase takes effect." The act-now confirmation should only be used when it is factual and true. Don't use it deceptively. When you're selling something they truly need, there's nothing wrong with urging the person to act now to save time or money or to avoid inconvenience. This can do wonders for your reputation. You'll be a hero by saving them from the consequences of not acting now.

So any time you're in a sales situation, be conscious of whether you've asked for the order, and whether the customer *knows* if you've asked for their business. Those who don't ask don't get a sale. Those who do ask make more sales.

In the end, all of your selling effort will show its value by producing sales. If it doesn't then chances are good that your sales approach needs revision. The sale is the fruit of your sales approach labors. Without the sale, all the rest is simply you providing a free service by telling others about your product.

Each of the skills outlined in this book are learnable. You can do it. You can learn to become clearer in what you are asking and in explaining why it is good for the buyer. You can become a better negotiator. You can become a more valuable business friend to your clients. Don't spend any more time in the old mindset that thinks of closing sales and overcoming objections. Graduate to the *Relationship Selling* mentality of building profitable business friendships. These skills will quickly produce new sales for you.



About the Author Jim Cathcart

High achievers from around the world credit the advice and inspiration of Jim Cathcart as keys to their personal advancement. As the author of thirteen books on business and psychology including two best sellers, *The Acorn Principle* and *Relationship Selling*, Jim Cathcart's works are in use by businesses and universities worldwide.

CEO and founder of Cathcart Institute, Inc., Jim sits on several corporate boards plus the Board of Visitors of Pepperdine University's Graziadio School of Business and Management.

He is one of the world's top professional speakers and business authors and has been inducted into the Speaker Hall Of Fame, received the Golden Gavel Award from Toastmasters International, and the Cavett Award from the National Speakers Association. Jim became a member of Speakers Roundtable, 20 of the top professional speakers in the world, in 1986.

Cathcart Institute, Inc., founded in 1977, is a network of highly qualified business advisors who teach Jim Cathcart's concepts and strategies for Relationship Selling and personal advancement. The Relationship Selling Sales Excellence System is built upon the principles of personal accountability and structured to utilize all of an organization's learning resources, not just the material in this book. Business leaders and top salespeople turn to Cathcart Institute, Inc. for training, inspiration, and personal advice in their quest to reach the top one percent of their field.

With over 2,500 speeches delivered to more than 1,500 different clients worldwide, Jim Cathcart has reached hundreds of thousands of business professionals in person.

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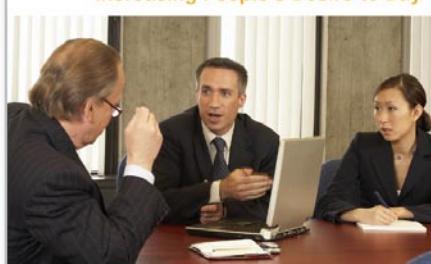
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