

Close More, Make More!

The Essentials of Negotiating, Closing and Handling Objections

by Mike Whitty





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Closing and Handling Objections**



Salesperson, Inc.



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Disclaimer

This book is written in the masculine gender for ease of writing. Salesperson, Inc. or the author have absolutely no bias to age or sex, and believes that any person who applies himself to the study and practice of automobile sales can and should be successful.



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Section 1

Negotiating Techniques



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Chapter 1

Negotiating 101

“Negotiating techniques do not work all that well with kids, because in the middle of a negotiation, they will say something completely unrelated such as, ‘You know what? I have a belly button!’ and completely throw you off guard.”

— **Bo Bennett**

“Sales are contingent upon the attitude of the salesman, not the attitude of the prospect.”

— **William Stone**

We all learned the basic elements of negotiating when we were children trying to get permission to stay up late to watch a favorite TV show: the application of **Power** (“Oh please mom, I’ll do all my chores tomorrow if you let me stay up tonight.”), the use of **Time** (in this case, the delay tactic of procrastination), and the use of **Information** (“Dad said it would be alright.”) When we applied all three strategies, chances are we got what we wanted. Over time, we learn to apply these strategies without thinking.

The problem is, many vehicle salespeople forgot these child-like negotiating skills. Something as simple as continuously asking for the sale (“Mommy please, can I have one please, please!”) has caused many salespeople to quit the vehicle selling business and look for other work, mainly because they couldn’t make the type of money they wanted, or was suggested upon hiring.

Achieving a Win/Win Negotiation

You may not realize it, but you are involved in negotiation every day. Any negotiation — whether it involves settling on a price for your vehicle, agreeing to the terms on your mortgage, or simply deciding on bedtime for your children — ends in one of four

possible outcomes:

1. Lose/Lose — where neither party achieves his goals.
2. Lose/Win or Win/Lose — one party achieves his goals and the other does not.
3. No Outcome — where neither part wins or loses.
4. Win/Win — where the goals of both parties are met.

It's easy to see that number 1 and 3 are less than ideal, as is number 2 if you are the one who loses! But what about Win/Lose? Isn't Win/Lose just as desirable as Win/Win as long as you are the winner?

The Win/Lose Outcome

In some negotiations, you will be the winner and your customer will be the loser. At first, it may seem that this is the ideal situation for you. But think about it. If you have ever lost a negotiation, you know that the feeling is not pleasant. A significant problem with a Win/Lose outcome is that your customer walks away with unmet needs — and this person is unlikely to be willing to buy vehicles from you again. Ultimately, this sets up the potential for a Lose/Lose outcome.

Here's an example. You have a customer who purchased a vehicle from you who not only beat you down in price, but was rude and verbally abusive throughout the whole process, as well as the after sale follow-up. To him, this may have seemed like a Win/Lose situation, with you being the loser. It became apparent that the stress of working with this customer was costing you more in time, energy and grief than the sale was worth. When the time came for him to purchase another vehicle from you, you hit him at sticker and refused to budge on the price, changing the balance in this lopsided relationship. Of course, the customer refused to buy from you again, creating a Lose/Lose outcome.

Achieving a Win/Win Outcome

The best outcome for all negotiations is Win/Win, when both the customer and the salesperson leave the desk with a positive feeling about achieving their initial goals. Since your first negotiation with your customer will hopefully not be your last, it is usually in your best interest to work toward a WinWin outcome. When both you and your customer walk away from the negotiation table with a good feeling, he will probably be willing to negotiate with you again. Using all your negotiating skills to ensure that you and your customer feel like winners is simply good business.

Section 2

**Closing
Techniques**



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Chapter 8

What Exactly is a Close?

“A mediocre idea that generates enthusiasm will go further than a great idea that inspires no one.”

— **Mary Kay Ash**

“I have never worked a day in my life without selling. If I believe in something, I sell it, and I sell it hard.”

— **Estee Lauder**

A close is a question that asks for some kind of commitment. It asks for a decision (yes or no) or for a choice (this or that).

If you're not closing, just talking is going on. Information is being conveyed, questions are being asked, answers are being given, but no decision or choice is ever asked for or made. And the sale never happens.

Here are some opportunities for closes that you may be missing.

You meet someone in person and they show interest in your product. Instead of just giving your business card, you use this close:

“I have some information on the truck you're considering. Can I send you a copy?”

You have asked and they will usually agree to receive your report. This first close paves the way for the next step in the process.

Add even more value by offering to assist in some way. You might be able to offer a resource, an idea or provide feedback of some kind. You make a suggestion and close by asking for a decision:

"I'd be happy to send you a brochure. When I get back to the dealership, I'll also email you a web address where you can gather even more information. Would that be ok with you?"
Close accomplished, which gets you an automatic invitation to follow-up.

Closes can also be used to screen out or qualify prospects and save you a lot of time and misunderstanding.

If someone calls and asks if you sell a certain type of truck, for instance, you answer the question and then close:

"What I specialize in is working with customers who want a quality truck at a fair price, with the type of follow-up service that's second to none. Is this what you're looking for?"

If the answer is "yes," you've saved a lot of time and can take the next step.

Closes can be used to nail down commitment when people are showing real interest, but haven't yet taken the final step. This is when you tell them exactly what to do.

They say, "I think moving to a truck is a good idea." You say, "So do I. Here's the first step I recommend. (Name the step.) How does that sound to you? If they say "good," you have the sale.

My favorite close, however, is getting the prospect to ask you to close. If closing is the prospect's idea, then there is little or no resistance. I find this works well when I have a qualified prospect on the phone.

I spend most of the time asking questions, giving examples of results I've produced with other customers, and suggesting ideas they might try as well. When they begin asking me questions about the truck, financing, etc., they are really asking me to close. Don't miss it. It's time to nail down a decision or choice.

I usually summarize the sales, give them the price, and then ask a very non-threatening question: "Does that fit into your budget right now?" This is so much less stressful than directly asking if they'd like to buy the truck. If it fits into their budget, then they have said they are ready to move forward.

Start looking for opportunities to close; that is, opportunities to ask for a decision or a choice. Several positive decisions inevitably lead to the final decision to buy from you.

- **An old sales saying goes, “Close early and close often.”**

This is good advice, but usually misunderstood. It doesn't mean put on the pressure and make your prospects feel uncomfortable. It simply means asking for small decisions in the course of the sales process.

- **Closes should never look like you're reading it.**

That is, when you close, you shouldn't look like you're using a technique that you've practiced verbatim. That's a turn-off and feels manipulative. Every time you ask a closing question you should sincerely want to know the answer. Your attention is very much on the prospect.

- **Sales-closing techniques are neutral.**

That is, they are not manipulative in and of themselves. They become manipulative if your intention is to trick, deceive or cheat. So don't avoid using closing techniques just because you don't want to be seen as a “sales type.”

- **The opposite of closing is “order-taking.”**

That is, you don't try to do anything to move the sale forward. You just wait to see what they want to do and then you tell them what you offer. Order-takers think they are being low-pressure and appropriate. They're really just missing the boat.

- **In closing, timing is everything.**

It takes real listening and tuning into your prospect to close at the right time. You only get good at it by doing it a lot. The more contact you have with prospects, the better closer you'll become — but only if you work at it!

John F. Kennedy said, “We should never negotiate out of fear, but never fear to negotiate”. Keep closing and watch your sales increase.

Section 3

Handling Objections



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Chapter 15

Objections are Questions in Disguise

“On any given Monday I am one sale closer and one idea away from being a Millionaire.”

— **Larry Turner**

“Every sale has five basic obstacles: no need, no money, no hurry, no desire, no trust.”

— **Zig Ziglar**

The ability to effectively handle objections is without doubt the single biggest factor in getting prospects to buy your vehicle.

An objection is first and foremost an indication that at some level the prospect has or is considering buying and should be welcomed by the salesperson.

An objection is a reasonable concern on behalf of the prospect, an objection is not an unreasonable expectation and this is an important difference. Managing expectations and more particularly unreasonable expectations requires a different skill set and will be discussed later in this section.

If someone gives you an objection, you should be excited. You now have the opportunity to close the sale, because you have found the one fear that is stopping them from buying. Until you know this objection, you will not have this opportunity to close.

Objections are nothing but questions in disguise. Once they give you an objection, ask yourself this question:

In spite of their fears, will they still benefit much more than the concerns that they have?

You should handle an objection right up-front, when it's a little baby, not a monster.

One way to handle an objection is to brag about it.

Example:

Prospect: *"This car is a lot of money!"*

Salesperson: *"You know, you're right. This car is a lot of money!"*

Another way to handle an objection is to empathize with them.

Example:

Prospect: *"This car is a lot of money!"*

Salesperson: *"I understand how you feel. This car is a lot of money!"*

Keep in mind that throughout your presentation, if you give 100 times more than the customer expects, they'll owe you. The **Laws of Reciprocation** state:

If I do something for you, then you become obligated to do something for me.

