

Handling Objections

Human beings instinctively consider possible disadvantages in an action before taking it. In sales situation, these objections are barriers. Successful Sales Representatives prevent objections from arising in the first place.

Why Objections Arise

The majority of objections are not inherent in customers; Sales Representatives create them. One of the reasons for the public's negative view of Sales Representatives is that they do all the talking. Let the customer prospects do the talking, and keep the interview / sales call moving toward the order.

Objections are numerous and stronger when:

- Needs are insufficiently explored
- Solutions are offered too soon – the customer is not convinced
- Benefits and Features are too general

Objections fall into several categories. The most common types are as follows:

1. Price Objections

- "It's too expensive"

2. Problem

- The customer believes the financial cost outweighs the value.

3. Solution

- Establish what the customer means by value.
- Emphasize the Benefits of your proposition and put a FINANCIAL value on them.
 - Get the customer to examine the *total* costs involved, not simply the purchase cost.
 - Get the WHOLE cost picture into the discussion; include the opportunity cost of work that is not complete, late or over budget.

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- If your proposal IS appears to be more expensive, review the offsetting benefits that currently the customer does not appear to understand.
- Break down the Features of your proposal and draw out as many Benefits as possible from each feature.
- Amortize the cost over time (cheaper in the long run)
- State the cost at its smallest unit (i.e., price per bird).

Other Objections

4. Fear Objection: "If we do that, we'll have trouble with the budget department" or "If we purchase from you, then we will have trouble with headquarters".
5. Habit Objection: "We've always done it this way and we see no reason to change".
6. Wrong Information Objection: "I'm told that your product has not been proven or its results validated".
7. Details Objection: "This will mean changing our entire project design to handle this problem" or "We just switched to SANOVA 1 year ago; this will be too much trouble."
8. Complaints: "Your people have completely ignored my specification instructions".
9. Competition Objection: "We prefer to use a different company." or "I have a relative in the TSP business."
10. Interested Party Objection: "I can't give you an answer without consulting my plant manager" (or my CFO, etc.).

THE ABOUT-FACE

This strategy involves asking increasingly specific questions in response to a prospect's queries and concerns. For example: The prospect says, "I need a high efficacy, immediate results. Can you supply that?"

Your response is, "When you say 'high quality,' exactly what specifications do you require?"

The About-Face is 180 degrees from the typical sales response. What does an About-Face do for Sales Representatives?

- Your questions shift the focus away from you and recognizes your prospect.

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- Your About-Face questions help your prospect to clearly define and, perhaps, answer their own objections.
- Your questions help you gather additional information to support your presentation, and helps you to probe for your prospect's cognitive needs and priorities.

Ask Three Times

We all know that new prospects rarely give a straight answer upfront. Sales Representatives know it will probably take three questions along the same line of inquiry to get to the prospect's real intent. Their first two answers generally are intellectual, factual, logical answers. The third is often a more emotional response, which reflects the prospect's true intent.

The reason is simple. The new prospect reasons that since you took the time, had the patience, and showed enough interest to ask repeatedly, you sincerely want to know. Maybe the prospect can trust the honesty of your questioning.

By asking this kind of *"Bob, would you be perfectly frank with me on this? . . ."* question you'll find out a lot more than if you launch into an explanation about your quality control. When you think that you know what your prospect needs, watch out. Ask a few more questions and be sure.

"The Price Is Too High"

Notice that this common objection is a statement, not a question. This is true with most objections. The prospect is trying to tell you something rather than ask you something. That's why Sales Representatives never answer objections. They don't require answers. However, the prospect does expect a response.

The Sales Representative responds by asking, *"When you say 'too high,' what do you propose?"* or, *"When you say 'too high,' relative to what?"* or, *"Then you must have some idea what you were planning to spend; exactly what price range did you have in mind?"*

There is no way for you to know what the prospect means by saying "The price is too high." Also notice that this is not necessarily an invitation to compromise. There's a big difference

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between a statement and an objection. The statement "the price is too high" could mean any number of things, and may be the prospect's way dealing with an issue unrelated to you or your product. Using an About-Face gives validity to the prospect's statement and lets you hear what was meant. Take the key words, the subject's noun or verb, and reflect them back in a question.

"Your price is too high."

"Too high...? "(Pause, expectant look)

"We're going to have to talk about lowering your prices if you want my business."

"Okay, and when you say 'your business,' what exactly do you have in mind?"

"I want to throw all of our processing and reprocessing requirements to you."

"By ' processing and reprocessing requirements,' how much are we talking about?"

"About 8 million birds per month...at all of our plants."

"8 million a month', So we are talking about a whole different project scope then?"

"Yes, and another thing. . ."

Now the Sales Representative has gotten to the real issue: the *"size of the project"* pricing. A less courageous salesperson would have tried to answer the objection by pitching quality or service or competitiveness. It requires boldness to ricochet the objection back to the prospect for clarification.

Here are some more examples of About-Faces with prospects:

"Your deliveries are too slow."

"What does 'too slow,' mean for your Company's needs?"

"I'm really unhappy about this situation."

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"When you say 'unhappy,' what does that imply?"

"We really like your Company, and we are giving you top consideration for this new contract. When can we see your proposal?" What is this prospect trying to say by top consideration?" Who knows? The Sales Representative does an About-Face:

"First of all, thank you. Let me ask a question. When you say 'top consideration,' what do you intend?"

There is no easy way. Handling objections gets easier as you gain experience.

Basic Rules For Handling Objections

1. Uncover "hidden" objections
2. Negotiate from a position of strength
3. Identify prospects who are simply trying to negotiate a better deal
4. Determine how significant the prospect's concern is
5. Avoid the trap of 'throwing the company under the bus' when facing service concerns
6. Avoid "positional" negotiation
7. Create an environment of cooperation
8. Determine precisely what must be done (from the buyer's perspective) to remove an issue
9. Move the discussion away from price
10. Identify the minimum price adjustment needed to win
11. Understand the difference between objections and conditions

Welcome objectives as sign of interest, which can be turned to your advantage. Most of the objections we come across arise from:

1. Customer has insufficient information.
2. Customer's particular circumstances need to be understood better.
3. Opinion of colleagues and friends influences the decision.
4. Price and running cost.
5. Technology.
6. Procrastination.

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Never avoid or argue objections. To Customers it is a valid point that they raised and they will expect it to be dealt with a courteous and helpful manner. Don't get into argument because that will antagonize your customer and destroy your relationship.

Do answer their objections as fully as necessary before continuing your presentation. Expect objections to be raised. If you do them they will not come as a surprise and you will be prepared to handle them. Overcome objections using facts and demonstrations.

1. Listen to objections.
2. Repeat the objections to ensure that you understand them.
3. Restate the objections with emphasis.

If you listen carefully to customer's objection you will avoid any misunderstanding, and if you repeat it to the customer it will show you have fully understood what they said. This implies that you are concerned with their problem. When you restate their objection with emphasis this tends to diminish the objection while getting agreement that there is nothing that is worrying them and you can use your knowledge and understanding to overcome the problem.

People object because they are unsure that what you are offering is really going to satisfy their problem. They are objecting because they need more information. So you have to build a trust before you can do anything. So start to build a relationship and break the barriers between you and the customer. Once you do that customer will feel comfortable to do business with you.