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October 2019 Monthly Sales Tip

Negotiate in a true spirit of collaboration to achieve a Win/Win outcome every time!

Customers are continually asking for price discounts, allowances and concessions even though we offer programs, incentives and rebates! How costly is all of this and what affect does it have on margins and profits? It's hard enough to stay ahead of plan, let alone leaving money on the table as the customer asks for more. How much is too much? What about your sales teams? Are they equipped to handle trained buyers and customers who continue to ask for more?

For over 40 years, I've been following Dr. Karrass and his program on negotiation. He likes to advertise in Sky Miles magazine with large, full-color page ads that fold out. He's claimed to have trained over a million buyers, purchasing agents, contracting officers, managers and salespeople too. His teachings are predominately purchasing-oriented and stress how to create conflict with salespeople, get them intimidated and off track in order to "cave in" on price. Your quote or bid is always high and so they get you to compromise and split the difference by bracketing you. Typically, sales reps are at a disadvantage when a customer flexes their power and leverage and we start "jumping through hoops" to please them. **A true negotiation should be a give-and-take in order to reach a Win/Win outcome.** Too often when customers hear Win/Win, they think they win twice! Unfortunately, this outcome typically ends up as a Win/Lose which leads to a Lose/Lose.

The purchasing process is no different than the selling process. Each side goes through their thought process, but the customer leads the seller in reality. In fact, we now train on the same negotiation skills with purchasing that salespeople go through in training. How to counter ploys and tactics and sell your position definitely crosses both sides of the fence. **It all comes down to the side that comes in better prepared, ends up the winner.** Training both sides on negotiation skills should lead to a more collaborative effort, leading to the Win/Win. Mutual trust and respect are evident as a true relationship forms over time. So many of these buyer/seller relationships continue into the future so maintaining and building these relationships must be based on trust in order to succeed. If not, the negotiation becomes one-sided and leads to a Win/Lose. Who loses? Typically the seller, so the end result leads to a Lose/Lose in the long run. If the seller can't provide the value-add that enhances the sale, then the customer doesn't receive the value, satisfaction and benefits that come from these offerings, so they lose too. All negotiation must be a Win/Win in order to continue to receive these benefits from the seller. Each time it should get easier...less ploys and tactics...more sharing and caring....all leading to a Win/Win.

Sad to say that most negotiations do not end up in a Win/Win so it becomes a constant battle, surrounded with conflict and tension and whoever ends up with the "one ups" on the other party is the winner. These barriers never come down and the tactics and ploys are quite evident. When salespeople are faced with this environment, they recognize the need to get the customers in a neutral environment so their power and leverage is not so predominant. Now it becomes a "battle of the wills" as to what strategies and concessions play out and who wins or who loses. Based on this style, which is competing for the win, how can a collaborative effort be achieved? It's much better to keep your focus on the customer, documenting cost savings, maximizing up-time and creating the efficiency and productivity improvements they can expect from your offerings.

So Sales Leaders, when was the last time you trained on negotiation-selling skills? **Our last Level 2 open for the year on Negotiation-Selling is October 18, 2019 in Dayton, OH.** It has been enjoyed and used for over 30 years, benefiting thousands of Sales Professionals. Let us help your sales teams to develop the strategies and control the concessions in order to achieve the Win/Win in a true negotiation style of collaboration. It's never too late for a refresher!

Good Luck & Good Negotiation-selling!

Bob Butler, TSP
and the Butler Learning Systems T.E.A.M.
Together **E**ach **A**chieves **M**ore

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