



Negotiate Like a PRO

Prepare a “bonus package” in advance that you can use to cinch the deal with a reluctant customer.

YOU’VE QUALIFIED THE CUSTOMER, did a powerful presentation, handled objections like a sales ninja and now the customer says, “I like what you’ve shown me and am interested, but it’s just more money than I am willing to spend at this point. You’ll have to do better than that.”

You now moved into the negotiation part of the selling process. This is a pivotal time for both you and your potential customer because at this moment in time—depending on how you handle the situation—either you or the customer comes to a win-win position or one or both of you walk away as losers.

When it comes to negotiation, most salespeople just fold and do whatever they can to give the customer what they want, which means, in most situations, they reduce the selling price to meet the demand of the customer and there goes the margins.

When it comes to negotiation, the most important tool you will ever have is your ability to walk away from a deal. To be able to do that, you have to have the confidence in yourself that if this deal walks away from you, you have others lined up to take its place. So if you have been “filling” your sales funnel like I wrote about a few months back, you are going to be in a strong position to let a bad deal go. On the other hand, if the deal is not a bad deal but just needs a little massaging to get it closed, then you need to roll up your sleeves now. Set yourself up in advance to create a situation for both your company and your prospect that will put the deal together, put strong margins in the company coffers and have a customer that becomes a proud owner of your equipment.

Set Yourself Up to Win

Negotiation is about preparation, and nothing is more important in the process of negotiation as the creation of packages you can use to negotiate with. Depending upon the distance between you and a prospect and the type of equipment you are selling, you might need a package that is worth a few dollars—up to several hundred dollars. As an example, if you are selling a chain saw, then you need to have a low-dollar negotiation package that might represent something like a small card good for a six-pack of oil mix or a chain on their next visit. If you are

selling a tractor, you might need something that would give you a \$500 or larger package. In that case, you should work with your service and parts manager to build menu pricing packages for the first 50-hour service on the tractors you sell. Regardless of what you do, it’s important to set yourself up in advance with options that give you tools to use as a part of your sale.

The Most Important Question

The No. 1 mistake made by salespeople when they begin the negotiation process is failing to ask the most important question in the negotiation process: “So what you are saying is if I can do what you ask, then you are in a position today to move forward, is that correct?” If they say “No,” you don’t begin the process because they have not committed to buy from you, and all that is going to happen is you will reduce your price and they will take your price to another dealer who will do the same thing until one of you finally gives in. Don’t play that game. On the other hand, if they say “Yes” to the question, then let them know that you might not be able to give them what they ask for in cash, but you have some flexibility to meet them somewhere in the middle with some other option that will get them to where you both need to be.



Success Comes From Preparation

For many salespeople, the negotiation process can become a little overwhelming because they think of it as an “I lose, you win” scenario. Yet if you have prepared in advance and are ready with options when the prospect says, “You’ll have to do better than that,” you will find that you close more sales, have more fun and improve the margins for your dealership while adding extra dollars to your bonus. Embrace the negotiation process and watch your profits and sales soar. ■

BOB CLEMENTS is president of Bob Clements International, Inc., a consulting firm that specializes in the development of high-performance dealerships. Bob and his team work hands-on with dealerships throughout North America, helping them to improve their service and parts department profitability. Contact Bob at 1-800-480-0737 or bob@bobclements.com. Visit www.bobclements.com for more information.