MICROGUIDES

OVERCOMING OBJECTIONS

Proven methods to take your team's performance to the next level

adaptive

adapt | develop | transform

CONTENTS

INTRODUCTION

The MicroGuides are your shortcut to staying current on the world's top Business, Leadership, and Personal Development books. They are used by individuals looking to better themselves, as well as by teams and organizations looking to create and foster cultures of continuous learning and development.

The MicroGuides are meant to serve as your starting point for identifying your goals and the obstacles that are standing in your way of achieving them. In addition to participation in regular ActionClasses, we urge leaders to use the content in these guides as inspiration for developing your own unique ActionPlan to make your ideal state a reality.

OVERCOMING OBJECTIONS

Facing objections is completely normal and nothing to be afraid of. Even the most successful negotiators and sales reps face their fair share of objections. What differentiates them is not that they don't face objections, but that they know how to overcome them. This involves fully understanding and acknowledging the concerns of the objecting party, exploring the issues that underly the objection, and coming up with creative responses and solutions to those issues.

Hearing "no" is difficult and often discouraging, but the key to succeeding in business and in life is persevering in spite of initial setbacks. Keep reading to learn more about how to overcome objections with confidence, poise, and deliberate strategy.

01

Getting to Yes

by Roger Fisher

01

Getting to Yes

Negotiating Agreement Without Giving In

by Roger Fisher

Like it or not, you are a negotiator. You and everybody you know negotiates every single day.

You might be finalizing a deal with a new client, working through a legal matter, or trying to get your kids to clean up after dinner.

No matter what you are doing, you can learn a better way to negotiate from the book Getting To Yes. It's called principled negotiation and it was developed at the Harvard Negotiation Project.

Let's dig in.

The Problem - Negotiations Over Positions

First let's create a definition of a successful negotiation method. The authors give us three criteria:

1. It should produce a wise agreement if agreement is possible.
2. It should be efficient.
3. It should improve or at least not damage the relationship between the parties.

When you negotiate as most of us do - arguing over positions - we are left with less than ideal results. Most of us will take one of two common approaches to negotiation.

A soft negotiator usually wants to avoid conflict, and is anxious to reach an agreement as quickly as possible.

A hard negotiator wants to win, and will do whatever it takes to get there. They usually take extreme positions, and are willing to hold out longer than soft negotiators do.

If you need to take one of these two approaches in negotiation (you don't, as we'll discuss in a minute), the hard approach usually dominates soft one. Soft negotiators are vulnerable to hard negotiators, and usually come out on the losing side.

To avoid you from going down that road, let's examine why both of these two approaches should be avoided at all costs.

First, it produces unwise outcomes. When more attention is paid to positions, less attention is devoted to getting what both parties really want. Whatever position you are taking is just one possible solution to meeting your underlying needs or concerns.

Second, it's inefficient. You waste a lot of time arguing over concessions that are not relevant to the end result, and in almost all cases introduces incentives that will stall a settlement agreeable to both sides.

Lastly, it endangers the ongoing relationship between both sides because the positional approach is so taxing emotionally, and leads to the other side feeling like you don't understand or care about them.

Fortunately there's a better way, and it's called principled negotiation. It's a way that is both hard and soft. Hard on the merits, and soft on the people.

There are 4 basic propositions:

1. Separate the people from the problem
2. Focus on interests, not positions
3. Invent multiple options for mutual gain before deciding what to do.
4. Insist that the result be based on some objective standard.

Before we jump into the four elements, just a quick point about timing in negotiations. These elements are relevant across the three stages of negotiation - analysis, planning and discussion. We most often think of negotiation as when we are sitting across the table from the other person, but that is actually the final stage.

Adaptive reflection question: How is negotiation a part of your current role? What would you say are your negotiation weak points?

1. Separate the People from the Problem

The first thing to remember is that person on the other side of the table is a human being too. They have families, emotions, backgrounds and viewpoints. And just like you, they are unpredictable, and have biases and blindspots.

As you enter a negotiation, you and your counterpart have two kinds of interests - in both the substance and the relationship. That's because most negotiations take place with somebody you have a relationship with, and who you'll need to work together with in the future.

This is part of the reason why positional bargaining is so harmful - it mixes up the relationship with the substance of the negotiation.

The authors suggest that we separate the relationship from the substance by dealing with that issue directly. In order to do this, we need to think about three things.

Perception

As the authors point out, the difference in your perception of the problem, and the other person's perception of the problem, IS the problem. So in order to get anywhere in negotiation, you need to put yourself in their shoes and do your absolute best to understand their thinking on a deep level.

This falls into the category of easy to say and difficult to do. Here are some tips to make sure you do it well:

- Don't assume that the other side intends to do whatever it is that you fear. These two are often not the same thing.
- Don't blame the other side for your problem. This is tempting to do, but not useful.
- Deal with perceptions directly. By making them explicit and discussing them, you'll cut through a lot of the BS quickly and effectively.
- When you do find their perceptions, look for opportunities to act inconsistently with them. The best way to change somebody's perception is to give them clear evidence to the contrary.
- Help the other side save face by making your proposals consistent with their values. Remember, this is not the same as giving in to their demands.

Adaptive reflection question: What can you do next time you are in a negotiation setting to put yourself in the other party's shoes?

Emotion

You've heard it before - people make decisions based on emotion, not logic.

The first step here is to recognize emotions - both yours and theirs. Then, ask yourself what is producing the emotions.

As you are figuring this out, run your answers through the lenses of what the authors call "core concerns." They figured out that most emotions in negotiation are driven by one of five interests:

(1) autonomy, the desire to make your own choices and control your own fate; (2) appreciation, the desire to be recognized and valued; (3) affiliation, the desire to belong as an accepted member of some peer group; (4) role, the desire to have a meaningful purpose; and (5) status, the desire to feel seen and acknowledged.

Most positive emotions will be related to these interests being fulfilled, and most negative emotions will be related to a lack of one of those five things.

The next step is to talk about these emotions. Make it clear that emotions are a legitimate part of the negotiation, and that it's ok to talk about them at any time.

This will become useful at some point in the negotiation where the other side needs to let off some steam. Sometimes the best way to deal with anger or frustration is to let it out. If you help the other side do that, they'll have the rare powerful experience of feeling like they are understood.

However, it's critical that you don't react yourself to emotional outbursts. If you do, it could easily escalate into a violent quarrel, which isn't helpful in principled negotiation.

Lastly, remember that when dealing with emotions, a symbolic gesture often goes a long way. Delivering a small present for a grandchild, a note of sympathy, or even sharing a meal together can improve a hostile emotional situation at little or no cost.

Communication

Finally, we come to the big Kahuna in dealing with people - communication. The biggest problem in any communication is the old adage of "it's not what you say, it's what they hear."

Despite what you might believe or hope, there is a zero percent chance that the other side listens carefully to every word that comes out of your mouth. They are processing what you said five seconds ago, and thinking about what to say next. Only the smallest amount of energy is devoted to truly understanding what you are saying in the moment.

All to say that sometimes what you say isn't truly understood, or worse mis-understood.

The easiest way to combat this natural tendency is to model active listening, where you acknowledge what is being said by the other side and repeat it in your own language.

Then, when it's your turn to speak, make sure you speak about yourself and not about them. It's much more persuasive to describe a problem in terms of its impact on you rather than in terms of what they other side did or why. The example the authors give is short and powerful. Instead of saying "You broke your word," say "I feel let down" instead.

Lastly, remember that some things are better left unsaid, especially when emotions are running high.

An ounce of prevention...

Knowing how to deal with problems as they arise is good, but dealing with them before they arise in the first place is better.

One of ways you can nip perception, emotion and communication problems in the bud before they arise is to build a working relationship. If you know and like the person sitting on the other side of the table, it's so much easier to practice principled negotiation. This will help you unpack the problem from the relationship, which we've already described as one of the biggest problems in negotiation.

2. Focus on Interests, Not Positions

The main issue in negotiation isn't a difference in positions, but a difference in each side's needs, desires, concerns and fears.

When you strip away the positions, you'll quite often find that your interests are compatible. Just because their positions are opposed to ours, doesn't mean that their interests much also be opposed. So, how do you do it?

Adaptive reflection question: How do you find common ground in a negotiation? How do you establish common interests?

Using the most powerful one-word question in the English language is a good start. By asking "why" - either to yourself or out loud to the other side - you'll start to unpack the layers and get down to the real issues.

As you start to listen to their rationale, start asking yourself "why not?" Trying to understand why the other side hasn't agreed to what you are asking for will help you get the full picture.

What you'll come to realize quickly is that each side has multiple interests, and that the most powerful of these are basic human needs like security, economic well-being, a sense of belonging, recognition and control over one's life.

Talking about your interests

The next step is to talk about the interests you've uncovered. The probability of your interests getting served substantially increase when you communicate them.

The other side probably isn't a principled negotiation black belt like you are, so you'll probably have to help them along.

First, make it clear to them that you understand their interests. Get them to agree that you understand them before moving on to talking about yours.

Second, make sure that you are talking about your interests first, and your proposals about how to fix them later. They need to understand your interests to fully understand your solution. Be as specific as you can about your interests.

Third, instead of looking backwards and rehashing what the other side has done, look forward and discuss what you can do together. You will satisfy your interests better if you talk about where you would like to go instead of where you have come from.

Fourth, be concrete but flexible. In order to do this, use the principle of "illustrative specificity." Treat each option you generate to solve the problem as simply an option, nothing more. When you communicate that you believe there's more than one way to meet your needs, the other side is more likely to act that way too.

Finally, be hard on the problem and soft on the people. Commit yourself fully to your interests, and be hard on ensuring they are met. Remember, principled negotiation isn't about rolling over and playing dead - it's about finding a solution that fully meets your interests, and the interests of the other side.

Adaptive reflection question: Take a second to jot down your greatest negotiation challenges. What do you believe is the root of these obstacles?

3. Invent Options for Mutual Gain

In most negotiations, there are four major challenges that prevent the creation of an abundance of options. Let's take a look at them and, in turn, their solutions.

The Problems

Premature judgment
When you listen to options presented by the other side, nothing is more harmful than the mindset of waiting to poke holes in their arguments.

Searching for the single answer
This is a mindset shift that will make all the difference. For most people, narrowing the gap between the two sides is the purpose of negotiation, not to invent different options. Remember that there is no single best answer, and the best way to come up with the best idea is to have a lot of ideas.

The assumption of a fixed pie
Most of us see negotiations as either/or - either I get what is in dispute or you do. Thinking that "solving their problem is their problem" This doesn't need much explanation, other than to say that it isn't helpful.

The Solutions

Now that we've covered what gets in the way of creating multiple options, let's talk about how to clear the path.

Separate inventing from deciding
This is another one of those things that is easy to say but difficult to do. But if you can separate the act of inventing possibilities from the act of criticizing or analyzing them, both sides will come out ahead.

Broaden the options on the table rather than look for a single answer
There are many ways to do this, and they all look like a brainstorming session. For instance, you could ask yourself and your negotiating partner how a particular expert might come up with different options. If the issue was custody of a child, how might an educator, a psychiatrist, lawyer or doctor come up with creative options? The key here is that you are able to step outside yourself and put yourself in the shoes of a dispassionate third party. Less highly charged emotions equals more creative options.

Search for mutual gains
Instead of searching for where your interests are not aligned, search for ways in which they are. One tactic is to invent several options that are equally acceptable to you, and to ask them which is preferable (not necessarily acceptable.) Then, take their choice, tweak it some more, and repeat the process again. Eventually this will bring you down a path much closer to satisfying both of your needs and desires.

Make their decision easy
Finally, if you want to get the other side to agree to a resolution, you need to think long and hard about how to make that decision easy for them. Try and remove all of the pain from making the decision as possible before you present the solution.

4. Insist on Using Objective Criteria

Making decisions based on objective criteria is the best and easiest way to keep the focus on the issues, and away from the things that causes negotiations to break down.

There are many things you can consider to be a standard, including market value, precedents set in other situations, what a court would decide, professional standards, and anything that allows you to make a decision based on principle and not pressure.

Conclusion

Negotiation is never easy, because almost nobody likes conflict. If you use your natural tendency to avoid conflict, you can find a better path to getting what you want while retaining a working relationship with the other side: principled negotiation.

Put it to work in every area of your life, and you'll find yourself happier, and getting what you want more often. And we could all use a little more of that.

Adaptive reflection question: What do you think is the difference between conflict and negotiation? How do you steer away from conflict when entering into a negotiation?

02

Never Split the Difference

by Chris Voss

02

Never Split the Difference

Negotiating As If Your Life Depended On It

by Chris Voss

“We’ve got your son, Voss. Give us one million dollars or he dies.”

Chris Voss had spent more than two decades in the FBI, and fifteen years negotiating hostage situations in places like New York, the Philippines and the Middle East.

But that was the strongest opening line he had ever had to face in a negotiation. That’s because he was at Harvard University sitting across the table from Robert Mnookin, the director of the Harvard Negotiation Project.

He was brought there to see how his field tested techniques would hold up against some of the world’s foremost negotiation experts.

“C’mon. Get me the money or I cut your son’s throat right now,” Mnookin said. Voss gave him a long stare, smiled, and then said “How am I supposed to do that?”

From there, Voss proceeded to dismantle the Harvard negotiators piece by piece by using the techniques he learned in the field.

As it turns out, the techniques that you’ll learn in Never Split the Difference are equally effective in the boardroom or on a sales call as they are in negotiating with terrorists.

Here’s how you can become a master negotiator by forgetting everything you know about negotiation.

The problem with old school negotiation

The biggest leap forward in negotiation theory came from a book published in 1979 called Getting To Yes. Ironically ,it was written by two researchers at the Harvard Negotiation Project - the same place Voss was invited to showcase his skills.

The main assumption was that the emotional brain - with its unreliability and irrationality - could be overcome by taking a rational, joint problem solving mindset.

But two guys in Chicago had other ideas. Amos Tversky was an economist and Daniel Kahneman was a psychologist. Together, they won a Nobel Prize by showing that man is indeed irrational and that feeling is a form of thinking. Basically, you cannot untangle the emotions from the man.

This has far reaching implications for everything you do in business. But until now, that groundbreaking finding hadn't made it's way into the mainstream thinking on negotiation. In particular, they proved that all humans suffer from Cognitive Bias, which distorts our view of reality. They discovered over 150 ways this is true (150!!!).

Kahneman wrote a best-selling book on the subject in 2011 called Thinking, Fast and Slow, which detailed their research. The essence of the book is that we have two systems of thought - System 1 is fast, instinctive and emotional. System 2 is slow, deliberative and logical. While you might believe you make decisions with your logical mind, you actually make them with your emotional mind and then rationalize that decision after.

Adaptive reflection question: What parts of the negotiation process do you find most intimidating? Are they emotional or rational?

The entire essence of the model you are about to learn is that if you understand how to affect your counterpart's emotions (his inarticulate feelings), you can guide them to make the logical conclusions you want them to without them even knowing what is happening.

This is powerful stuff, so I hope you are paying attention.

1. Mirroring

If you view negotiation as a battle of arguments, you'll spend most of the time listening to the voice in our head. You'll be coming up with counterarguments while your counterpart is speaking, and listening to your own voice while you are speaking.

But as a world class negotiator, that's not what you'll be doing at all. You know that your sole and all-encompassing focus is the other person, and what they have to say.

In order to get them comfortable opening up to you, you'll need to start with the sound of your voice.

Your tone

There are three voice tones available to you. The late-night FM DJ voice (which is exactly what you think it is), the positive/playful voice, and the direct or assertive voice.

In almost every situation, you'll want to start off by using the positive/playful voice. This is the voice of an easygoing, good natured person. The key is to relax and smile as you are talking - even on the phone.

Why? Because when people are in a positive frame of mind, they think quickly (and emotionally), and are more likely to collaborate with others. You'll create this effect in both yourself and your counterpart by talking this way.

Now that you've got them in a relaxed state of mind, its time to start using one of the most powerful tools you'll have in a negotiation - mirroring.

Adaptive reflection question: Think of a particularly persuasive speaker. What verbal cues do they utilize that make them especially persuasive? How can these same techniques be used in your own negotiations?

Mirroring

As Voss describes it, mirroring is essentially imitation. It's a behavior human beings and other animals use to comfort each other. You can mirror speech patterns, body language, vocabulary and tone of voice. In natural settings we don't even recognize it happening - the only time you'll recognize it is when a clumsy salesperson starts blatantly mimicking what you are doing.

In negotiation - and in particular at the FBI - the focus is only on the words. You repeat the last three words (or the critical one to three words) the other person just said. By repeating back what people say to you, you are triggering the mirror instinct and your counterpart will start elaborating on what was just said to continue connecting with you.

It's effective to get your counterpart to continue talking, but it's insanely effective to confront the other side without them feeling like they're are being confronted.

There are four simple steps to this technique:

1. Use the late-night FM DJ voice.
2. Start with "I'm sorry."
3. Mirror.
4. Silence. Don't talk for at least four seconds (which will feel like an eternity) for the mirroring to work its magic.
5. Repeat.

Something like, "I'm sorry, you want me to go to take on this additional project this week?"

2. Labelling

Emotions in negotiation are your friend - especially your counterpart's emotions. The very best way of dealing with them is to bring them to the foreground of the conversation by labelling them.

You spot the emotion or feeling, turn it into words, and then calmly and respectfully repeat it back to them. Voss calls this tool tactical empathy. It helps you learn where the other side is coming from, why their actions make sense to them, and what might move them to see things your way.

There are two powerful reasons you want the other side to wrestle with their emotions.

First, psychological studies have shown that applying rational words to emotions activates a different part of their brain than the emotion itself. So if you get an angry person to think about the fact that they are angry, they will slow down and diffuse the intensity of the emotion.

Second, you are validating your counterpart's emotion by labelling it.

Labelling should always start off with roughly the same words: it seems like... it sounds like... it looks like. Be sure never to use the word "I", because that makes it seem like you are more interested in yourself and will get their guard up.

So, it might sound something like this: “It sounds like you are angry about the price we charged you for this project.”

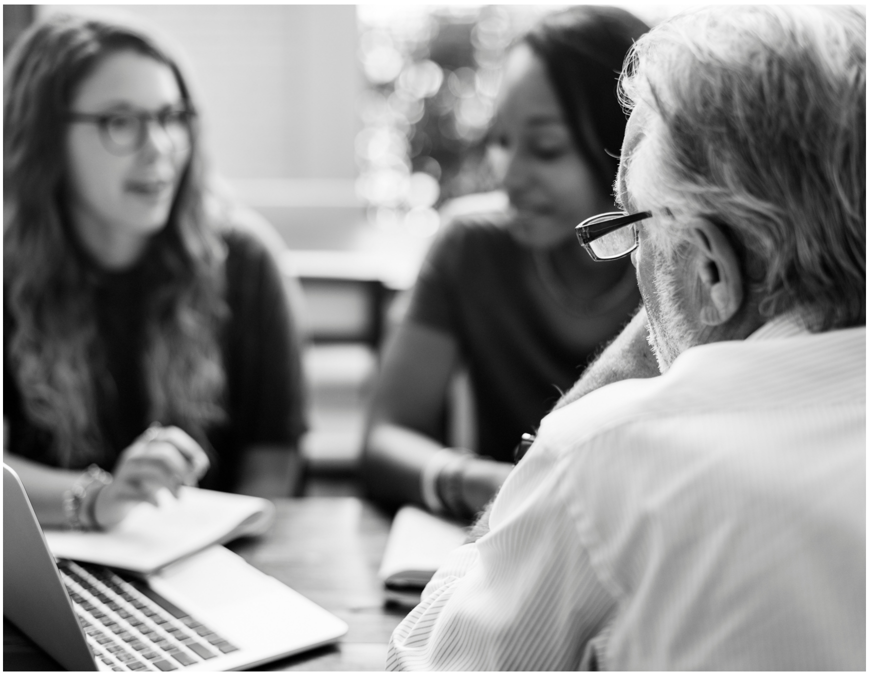
The last step, just like it was in mirroring, is silence. Resist the urge to expand on what you just said. Instead, let the silence do its work and listen to what they say next.

3. Get to No

Your goal at the beginning of the negotiation is to get to “no” as quickly as possible. Obviously you want to get to “yes” eventually, but most people make the mistake of trying to get there too quickly.

If you’ve ever found yourself on the phone with a telemarketer who has tried to ask you softball “yes” questions in order to get you to say yes to their sales pitch, you’ll know why this doesn’t work. “Do you care about children in Africa, Mrs. Smith?”

For world class negotiators like you, “no” is pure gold. There are a few reasons for this.



First, “no” doesn’t mean “never.” It usually means “I’m not ready to agree,” “you are making me feel uncomfortable,”, “I need more information.” or one of several other things.

Second, “no” clarifies what your counterpart actually wants. It’s much easier to come to an agreement when you start eliminating what they don’t want.

Lastly, and most importantly, it gives them a feeling of control. One of our universal needs as human beings is autonomy. We need to feel in control. When your counterpart understands that they have the permission to say “no” to your ideas, they calm down and are more receptive to the entire process.

In extreme cases, you might even want to force them into a “no” to get them to open up. For instance, you might intentionally mislabel one of their emotions or desires by saying something crazy like “It seems like you want this project to fail” - which of course can only be answered negatively.

4. “That’s right”

The turning point in any negotiation is when your counterpart feels understood, feels positively affirmed for that understanding, and they say the magical two words every negotiator wants to hear... "that’s right.”

Up until this point the only thing you’ve been doing is getting them to open up so you can understand exactly what they want, and why they want it. By saying “that’s right,” they feel like they’ve assessed what you said and labelled it correct by their own free will. They’ve embraced what you want them to embrace.

A quick sidebar before we move on: “that’s right” is not the same as “you’re right.” If they say “you’re right,” you still have plenty of work left to do because it means they haven’t made your thinking their own.

Adaptive reflection question: What might you do if you are unable to reach an agreement? How can you reframe the situation to make it more appetizing for both sides?

When you feel like you are ready, use a summary to trigger that response. A good summary is a combination of re-articulating the meaning of what they said and the emotions underlying that meaning. Remember, you are articulating their worldview, not yours.

People want to be understood. And because most people in the world do such a bad job of understanding other people, your counterpart will feel like you are one of the only people in their life that truly “gets” them.

5. Bending Reality

In order to negotiate a great deal, you need some extra strategies up your sleeve. One of the most powerful techniques is to persuade your counterpart that they have something concrete to lose if the deal falls through.

Here are some tactics and strategies to bend reality in your favor.

1. Anchor their emotions

Before you make an offer, anchor their emotions in preparation for a loss. Here is the phone script that Voss used with a group of contractors who normally got $2,000/day for their time, when he only had $500/day to spend.

“I got a lousy proposition for you,” I said, and paused until each asked me to go on. “By the time we get off the phone, you’re going to think I’m a lousy businessman. You’re going to think I can’t budget or plan. You’re going to think Chris Voss is a big talker. His first big project ever out of the FBI, he screws it up completely. He doesn’t know how to run an operation. And he might even have lied to me.” And then, once I’d anchored their emotions in a minefield of low expectations, I played on their loss aversion. “Still, I wanted to bring this opportunity to you before I took it to someone else,” I said.

The conversation shifted from being cut from $2,000 to $500, to how to not lose $500 to another guy. As Voss recounts, every single one of them took the deal, without complaint.

2. Let the other guy go first…most of the time

Neither side has perfect information going to the table, especially when you don’t know the market value of what you are bargaining for. In these situations, let your counterpart go first. Just be prepared for them to lowball you, which they’ll do if they are on top of their game. Many times you’ll get lucky and they’ll open with an offer that’s beyond what you were expecting to get in a final deal.

3. If you do go first, establish a range

When you do have to go first, establish your ballpark range rather than a specific price. A Columbia Business School Study found that job applicants that named a range received significantly higher overall salaries than those that offered a number. This works best when the low number in the range is what you actually want.

Your counterpart will be anchored by those numbers, and will feel like anything near the low end of your range was a victory.

4. Pivot to non-monetary terms

After you've anchored your counterpart, you can make your terms seem more reasonable by offering things that aren't important to you but could be important to them.

5. Use odd numbers

Whenever you use specific numbers, it seems as though you came to that conclusion using thoughtful calculation. Even if there isn't a good reason you want to pay $31,247 for that new car, it will seem like there's one.

6. Illusion of Control - Calibrated Questions

Your goal in any negotiation is to get your counterpart to come up with the solution you want on their own. You can't do this directly, but if you use calibrated questions effectively you can "ride them to your ideas."

A calibrated question is an open-ended question that allows you to get your counterpart to open up, and in areas of conflict, introduce ideas and requests without sounding overbearing or pushy.

They avoid verbs or words that can be answered with a simple yes or no - can, is, are, do, or does are good examples. The best calibrated questions start off with one of three words - what, how, and sometimes why.

Adaptive reflection question: Before turning the page, jot down a list of calibrated questions you can use in your next negotiation. Now turn the page. How do they match up?

Here are some examples of great calibrated questions:

- How would you like me to proceed?
- What is it that brought us into this situation?
- How can we solve this problem?
- How am I supposed to do that?

The implied meaning of a calibrated question is that you want the same thing as your counterpart, but you need her intelligence to overcome the problem.

7. Getting Your Counterparts to Bid Against Themselves

When it gets down to the actual bargaining, you'll usually have four opportunities to say "no" before even saying the word, which gets your counterpart to bid against themselves.

The first time you do it you'll say "How am I supposed to do that?" The trick is to say it in a deferential way, so that it appears as a plea for help.

The second way to say no is something along the lines of "Your offer is very generous, I'm sorry, that just doesn't work for me."

The third time you can use something like "I'm sorry, but I'm afraid I just can't do that."

Lastly, you can use “I’m sorry, no.”

All the while you haven’t made a counteroffer, and your counterpart is most likely to bid against themselves at least once during the process.

8. Using the Ackerman Model To Bargain Hard

When you are heading into a negotiation, the most important thing you can do is prepare, and then prepare some more. As the authors point out, “when the pressure is on, you don’t rise to the occasion; you fall to your highest level of preparation.”

One of the best ways to do this is to use the Ackerman Model when you’ve exhausted your “no’s” from the previous step.

It’s an easy to remember process with only four steps:

1. Set your target price (your goal)
2. Set your first offer at 65 percent of your target price
3. Calculate three raises of decreasing increments (to 85, 95 and 100 percent).
4. When calculating the final amount, use a precise non-round number, like $37,893 rather than $38,000. Also throw in a non monetary item (that that probably don’t want). This suggests you really are at your limit.

The genius of the model is that it incorporates the psychological tactics the master negotiators use - reciprocity, extreme anchors, loss aversion...without needing to think about them.

And there you have it - everything you need to know so that you Never (have to) Split The Difference again.

03

When Buyers Say No

by Tom Hopkins and Ben Katt

03

When Buyers Say No

Essential Strategies for Keeping a Sale Moving Forward

by Tom Hopkins and Ben Katt

Let's face it - when you are in sales, you are going to hear no much more often than yes. A lot more often. So what do you do when you hear dreaded word come out of a prospect's mouth?

Maybe you heard somebody say that you simply need to soldier on, "keep in touch," and continue making calls until you get a yes. That's one way to do it. But as Tom Hopkins and Ben Katt (the authors of When Buyers Say No) would tell you, "no" doesn't always mean "no."

Through their work, they've found 8 different reasons why a prospect might tell you "no" when they really mean something else. In fact, even if they tell you "no" multiple times, they still might not mean "no."

Learn these 8 reasons, and what you can do about it, and you'll be on your way to making more sales than you ever thought possible. Most importantly, there are no manipulations or aggressive moves required.

Just the bill, please

You've probably been on the other end of a "no" magically turning into a "yes" many times.

You've just finished a fantastic meal at your favorite restaurant, and you are stuffed. Your waiter starts to clear away your dishes, and asks you whether or not you are interested in dessert. You say "No, just the bill please."

Inexperienced waiters will walk away without saying a word, and do just as you've asked. A good server, as the authors point out, won't let that be your final answer. They'll go on to describe a few of the desserts in mouth-watering detail, and probably point out their favourite dessert on the menu, which is even better than his mother makes - just don't tell her.

Of course, you still might say no. But once in a while, something the waiter says makes you realize that yes, in fact, you do want that pecan tart with vanilla ice cream. You've worked hard all week, after all, and you deserve it.

So, now that you know that it's possible to save a sale, just like the experienced waiter at your favorite restaurant, let's dig in to why prospects sometimes say no when they really mean something else.

8 reasons prospects say no when they really don't mean it

Here are the 8 reasons a prospect might say no to you:

1. They have lingering questions. It might mean that the prospect hasn't had all of their concerns addressed yet.
2. You haven't explained the benefits adequately. If your prospect is qualified and you are sure that your product will fill their needs, you probably haven't explained the benefits properly.
3. You might need to do additional discovery work. As the authors point out, a confused mind says no. So, you need to dig deeper to find out what they might be confused about.
4. You didn't qualify them correctly. It's possible that you didn't do an adequate job in the qualification process. You might need to go back and make sure you are presenting the right product and benefits for that particular buyer.
5. There are unrevealed objections. It's possible that the prospect hasn't told you everything that relates to whether or not they will buy from you. Your job here is to further uncover those objections.
6. The prospect might be trying to slow down the sales process. Instead of "no", they might actually mean "no, not right now."
7. The prospect might object to a particular feature. So when they say "no", the really mean "no, not that size", or "no, not that color."
8. The prospect might actually mean "no, not you." Well, that's unpleasant, isn't it? Sometimes it means they are not sold on you as the salesperson, who is their future contact at your company.

Adaptive reflection question: Do you collect feedback from lost leads? If so, which of these 8 reasons do you hear most often?

So those are just 8 of the reasons why a prospect might say no to you, and not really mean it. While there are some other things that might be added to this list, there is one reason that you will never see on this list - disinterest.

Remember, the prospect is just as busy as you and I, and they don't waste their time meeting or having calls with people they have no intention of buying from.

Turning No Into Yes

The authors lay out a 4 step process that you need to go through to close a sale.

1. You establish rapport
2. You establish the prospect's needs
3. You present solutions
4. You close the deal.

If you want more information on those 4 steps, go out and buy a copy of this book. Even if you are a seasoned sales rep, there's something here for you.

But what happens when you go through each of those steps and the prospect still says no?

Step #1: Re-establish Rapport

The learning starts right here, and if you skip this step you will sabotage the rest of the sales process and leave empty handed.

You've asked your prospect to make the decision to buy from you, and they've turned you down. This is an act of non-compliance, which makes even the most surly of us uncomfortable.

Now things are a little bit awkward, and your rapport has been disrupted. So, before you go ahead and start diving in with probing questions again, it's critical that you get your rapport back on the level.

The good news is that it only takes a fraction of the time you spent establishing rapport in the first place to get it back.

For instance, you might say something like, "I understand your hesitation, Jim. Perhaps I misunderstood that aspect of your situation." What you are communicating here is that it's ok that your prospect didn't buy from you right away.

Adaptive reflection question:
What is your current process for engaging prospects that say no?

Step #2: Identifying Questions

Now that you've got things back on track, it's time to figure out where you haven't quite understood their needs. You need to identify what questions your prospect still has lingering in their minds. There are 5 steps here:

(1) Listen! If your prospect is telling you why they aren't moving forward, your job is to sit there, be interested in what they are saying, and not interrupt them until they are done.

(2) Restate their questions and concerns. Your job is to identify what is preventing your prospect from taking action. You can simply say, "So your concern is that...am I correct?" You'll find that you probably don't quite understand what the prospect was trying to get across, and answering with a solution when you don't completely understand their concern is worse than not having an answer at all.

(3) Find agreement. When it's possible, always find something to agree with in the prospect's concerns. Here's an example from the book. If your prospect says "I don't think I need this product," you might way "I agree that you should only invest in products that help your business." Notice that you did not say that the buyer does not need your product.

(4) Confirm that the buyers have stated all of their concerns. This does two things - it allows you to stay in control of the conversation, and it helps your prospect identify their thoughts.

(5) Confirm the buyer is ready to take action. Here, you simply say something like "If I can adequately address your concerns, would you be ready to move forward with the purchase?"Then, and only then, do you move on to presenting your answers to their concerns.

Step #3: Presenting Answers

At this point in the sales call, you are not presenting your entire product and service line-up. You are presenting small bite-sized pieces that address only your prospect's concerns.

You should only provide as much information as you need in order to help the prospect make a decision. If you present any more, you run the risk of bringing up other topics that will send them further away from making a decision rather than closer to it.

Finally, after you present your answer, confirm that you have given the prospect the information they need in order to make a decision.

Step #4: Ask for the Sale (again)

Now you are at the moment of truth again. You've re-established rapport, identified their objections, presented reasons to satisfy their concerns, and it's time to ask for the sale.

Here's where most salespeople drop the ball. You need to ask clearly and directly for the specific action you want your prospect to take.

Adaptive reflection question:
How will you integrate these four steps into your sales process?

This is such an important point of the sale, that you should have the two or three sentences you are going to say to close the deal scripted in advance. Winging it here is a rookie mistake.

If you want them to sign a purchase order, make sure you know exactly how you are going to get them to sign the purchase order.

Never stop at No

If you want to transition from an average salesperson to a great salesperson, you need to become a pro at turning a "no" into a "yes". Follow the 4 steps we covered here today, and you'll be well on your way.

ABOUT ACTIONCLASS

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