

The Grinch

Inside the mind of the negotiating buyer

Last month, a large company inquired about doing a Negotiation Skills Seminar for their national meeting. This is one of my favorite sessions to deliver, because if the skills are used, it leads to higher sales margins and quicker deals. As I began questioning the key decision-maker for the meeting, I quickly learned this would not be an audience of salespeople or business owners, but rather a room full of buyers and purchasing agents. In other words, the students I would teach are the very people who you negotiate with every day. You know...the ones who try to suck every last nickel out of your pocket and send you home to your starving family.



By Brian Sullivan

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I had a decision to make. Do I reveal the secrets I share with you, so that they can then take even more nickels out of your pocket? But then it hit me. I felt like the Grinch who had suddenly found the true meaning of Christmas. Perhaps sales isn't about winning, stealing higher margins, and dominating the greedy buyer. Perhaps it's about much more than that. Maybe it's really about putting two people in a room who are looking for much more than winning the short-term deal. Maybe it's about teaching salespeople and buyers how to respect each other, care for each other, be honest with each other with hopes of developing a long-term friendship/partnership that makes them both look good.

After my warm and fuzzy revelation, I got to work preparing the meeting. My objective was to teach the buyer how to find the best long-term partners and how to weed out those unworthy of their business. In the process, I would teach them how to get as much as possible out of you, but warned them the best salespeople will not be bullied ... just as the best buyers will not be bullied. In the end, I believe the best negotiator, with the best long-term intentions, should win, but only slightly more than the other party. In short, it's a WIN/win situation. And for the purposes of this article, I want you to be the person that regularly WINS (capital letters).

The following is what I taught the audience, so you know what to expect when they come at you with these techniques. And let's be clear, just as you have a goal to sell as much product at the highest margin, they too are being paid ... to get the best product at the lowest cost. And this is how I teach them to do it:



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Buyer negotiation tips

1. Prepare: Make a list of what's important to you regarding suppliers, then do your homework to find companies who match your wants. Call at least three people to learn about that supplier and get real world opinion. If prices are listed on websites, write them down. While the lowest price isn't always the best option, it's the only thing to consider when all suppliers look, sound, act and smell the same.

2. Aim low: Think about what would be a GREAT deal for you. Don't ever make the first offer because there is a chance the unconfident salesperson will assume all you care about is price. As a result, they'll often slash their margins without you having

to do anything. And don't accept the first offer. Again, the unconfident salesperson will often let their urgency to get the order cause them to lower their price even more.

3. Always ask for something: There is a better than 90-percent chance you'll get more than you originally thought if you just ask. Don't stop there. If you get a "no," ask FIVE times. If after five times the salesperson isn't budging, chances are they have gone as far as they can.

4. Ask the right person: Great salespeople who come prepared and have the answers you need are extremely valuable. Because of this, they'll usually have the authority to make

"selling" decisions. This means you are negotiating with the right person. But when they tell you they need to get approval, they're often telling you they either lack the knowledge or skill to get the deal done, or the confidence to negotiate. In this case, ask to be introduced to the leader who can help get your answers.

5. Be willing to walk: There are many companies who want your business. While it's often hard to find, the best long-term partner will be the one who fully understands your needs and helps you find solutions that make your life easier. Remember, acquisition price is only one part of the equation. The cheapest price often comes with the worst service.

If you know they're going to start low, ask for tons, go over your head (if you're unprepared), and possibly walk, what should you do? The answer is simple. Prepare, Aim high, Always ask more, Get to the right decision-makers and Be willing to walk.



And the bonus lesson:

6. DON'T BE A JERK! Because the prepared salesperson who has a great attitude, delivers Five Star service, is smart and confident, and is a high-level communicator will also be willing to walk! And because they are so good, they know there are more than enough nice prospects to do long-term business with.

Sales negotiation take-away

Now that you know what is in the minds of your prospects and current customers, use the information to better prepare for your negotiations. If you know they're going to start low, ask for tons, go over your head (if you're unprepared), and possibly walk, what should you do? The answer is simple. Prepare, Aim high, Always ask more, Get to the right decision-makers and Be willing to walk. You'll find better long-term customers, higher margins and some extra post Holiday Grinch "green" to put in your wallet in 2014. ■