

Five Ways to Negotiate More Effectively

“What’s your best price?”

“That’s too expensive.”

“Your competitor is selling the same thing for....”

Most salespeople and business owners hear statements like this every day. That means it is important to learn how to negotiate more effectively. Here are five strategies that will help you drive more dollars to your bottom line:

1. Learn to flinch.

The flinch is one of the oldest negotiating tactics but one of the least used. A flinch is a visible reaction to an offer or price. The objective of this tactic is to make the other people feel uncomfortable about the offer they presented. Here is an example of how it works.

A supplier quotes a price for a specific service. Flinching means you respond by exclaiming, “You want how much?!?!” You must appear shocked and surprised that they could be bold enough to request that figure. Unless the other person is a well seasoned negotiator, they will respond in one of two ways; a) they will become very uncomfortable and begin to try to rationalize their price, b) they will offer an immediate concession.

2. Recognize that people often ask for more than they expect to get.

This means you need to resist the temptation to automatically reduce your price or offer a discount. I once asked for a hefty discount on a pair of shoes hoping to get half of what I asked for. I was pleasantly surprised when the shop owner agreed to my request.

3. The person with the most information usually does better.

You need to learn as much about the other person’s situation. This is particularly important for sales people. Ask your prospect more questions about their purchase. Learn what is important to them as well as their needs and wants. Develop the habit of asking questions such as;

“What prompted you to consider a purchase of this nature?”

“Who else have you been speaking to?”

“What was your experience with...?”

“What time frames are you working with?”

“What is most important to you about this?”

It is also important to learn as much about your competitors as possible. This will help you defeat possible price objections and prevent someone from using your competitor as leverage.

4. Practice at every opportunity.

Most people hesitate to negotiate because they lack the confidence. Develop this confidence by negotiating more frequently. Ask for discounts from your suppliers. As a

consumer, develop the habit of asking for a price break when you buy from a retail store. Here are a few questions or statements you can use:

“You’ll have to do better than that.”

“What kind of discount are you offering today?”

“That’s too expensive.” Wait for their response afterwards.

Learn to flinch.

Be pleasant and persistent but not demanding. Condition yourself to negotiate at every opportunity will help you become more comfortable, confident and successful.

5. Maintain your walk away power.

It is better to walk away from a sale rather than make too large a concession or give a deep discount your product or service. After attending my workshops, salespeople often tell that this strategy gives them the most leverage when dealing with customers.

However, it is particularly challenging to do when you are in the midst of a sales slump or slow sales period. But, remember that there will always be someone to sell to.

Negotiating is a way of life in some cultures. And most people negotiate in some way almost every day. Apply these strategies and you will notice a difference almost immediately.

Kelley Robertson, President of the Robertson Training Group, specializes in helping businesses increase their sales and motivate their employees. Receive a FREE copy of “100 Ways to Increase Your Sales” by subscribing to his 59-Second Tip, a free weekly e-zine @ www.robertsontraininggroup.com. Kelley is also the author of “Stop, Ask & Listen – How to welcome your customers and increase your sales.” He can be reached at 905-633-7750 or at Kelley@RobertsonTrainingGroup.com.