A general contractor meets with you, wastes (or takes) forty-five minutes of your valuable time, and then takes leave without committing himself. Have you ever had this happen to you? If it hasn’t, you must be offering gold at 10 dollars per ounce as an inducement.

The parting line of the customer is usually, “I’ll have to check out your prices (bid shop?), “Your price is too high,” or “Cheap and Sleazy Contractors has a much lower price?”

How many of these people ever come back at your offered price? Too few, so it is important to sell them when they first come in.

Let’s face it, most people aren’t going to talk about any service or product for very long, unless they want to buy it. Yet, there’s a minority who won’t buy anyway. Let us forget about the dead beats who are using you to compare the prices they’ve already got.

Many people would rather be golfing, boating, or just sitting around the office rather than experience the tension of negotiating. But, if they have responded to your birddogging, a sale is possible. What can help to close the sale? Simple negotiating techniques can turn the tide and the strategy isn’t too difficult to master. It requires proper preparation, and flexibility in your approach. The principles can be used whether bidding or negotiating.

You’re starting off with a couple of plusses from the moment your potential customer faces you. He’s allowing you to negotiate and being the expert on the product is another factor in your favor. Find out as much about the customer right away. This may turn out to be a positive clue to a selling point.

Is the job separate bids direct or does the customer have total control?

It is very important to establish who is the real decision maker in the process. Sometimes, after the sales discussion takes place, a customer begs off by saying that approval is needed of another person. Finding out quickly whether the customer is a potential purchaser is a significant detail. You have to decide how much time to spend with an individual without your purchase authority. Why are they looking at you? Are they just bid shopping?

If two people—say the GC and the architect—are together, which one will make the purchase commitment? Discovering this isn’t too difficult. During the course of the conversation, one person will usually let the other ask or answer all questions. If possible, try to get the person not making the buying decision to agree with you on the merits of your proposal. This will sometimes weaken the bargaining position of the decision maker. After all, they don’t want to rebuff their companion in public. Therefore, they will be reluctant to dispute anything the other person has agreed to. On the other hand, only one person should do the selling. It gives you complete control over the sales strategy to be used with the buyer. It also prevents the possibility of conflicting statements or claims being made.

As you might surmise, prospective buyers are not all friendly. They may bait, argue with you or even insult you. Losing your temper means losing a sale. The prospective buyer may be deliberately trying to rattle you, to gain the upper hand in the bargaining. Keeping your composure will deflate a hostile attitude, and may weaken the buyer’s sales resistance.
Overcoming sales resistance is where the negotiating flexibility comes into play. Always be ready to adjust your approach to counter objections. For negotiating purposes, decide what trade-offs can be made in terms of price, payment terms, service or delivery, etc. Decide what is not negotiable under any circumstances.

When negotiating the sale, don’t make any concessions unless the customer is seriously backing off. Of course, concessions should be made piecemeal, so you always have something in reserve that can be offered to clinch the sale. The important point here is that your overall game plan can be established beforehand. It is only the implementation that will vary from customer to customer. Adequate preparation makes it unnecessary to interrupt sales discussions to work up new figures, or think about whether a particular concession can be made. This is crucial, since any interruption gives the buyer time to think. Abut what? Maybe an excuse for not making the purchase.

While on the subject of excuses, here’s where your prior preparation really pays off. You will have formed a strategy to counteract the customer’s objections. In general, customer statements as, “I’ll have to let you know,” and “I can get it cheaper,” result from suspicion on the part of the buyer. Overcome this hesitation by giving the customer solid reasons why favorable decision to you is to his advantage. You can, at this point, tell why your having the item in stock and at a set price, will mean immediate shipment, as opposed to waiting for an “or equal” to come in, perhaps at an increased price.

If the prospect keeps harping on the fact that he believes that your price is too high, be prepared to demonstrate experiences with cheaper competitors showing that your cost to him is actually in line, or lower than those of your competitors. If your price is comparable, but not lower, point out the reliability of your firm, your reputation for service, and other factors as to why and how you stand behind the installations you sell.

Despite all your efforts, some prospective customers won’t decide or give you a hint of an answer. Close off your discussions with these people by leaving them with the responsibility for making further contact with you.

This serves two purposes. You’re not wasting time and money contacting what may be a hopeless sales prospect. Furthermore, your initiative may be construed as a willingness to bargain further. However, if the prospect calls you, the sale can probably be made on your terms.

What’s the secret to increased sales? There is none. All that is required is knowing your product, recognizing buyer reluctance, and overcoming this hesitation. It isn’t easy, but it can be accomplished by adequate preparation in establishing a sales strategy, and flexibility in applying that strategy during sales presentations. Combine this with some hard bargaining, and increased sales will take care of themselves.