

Negotiating techniques to boost sales

4-min read



Small changes to your negotiating technique will instantly boost your sales figures

You've spent months working on this deal and you're almost over the line. You can already hear the champagne popping as you're the toast of head office.

But that's when you get the call from the client that makes your heart sink: "Can you come in for another meeting? There are a few details we need to clarify."

So, how do you handle the final negotiations without making too many compromises?

Qualification drives negotiation

Before establishing your negotiating strategy, it's essential to qualify your prospect. As Benjamin Franklin famously said, "by failing to prepare, you are preparing to fail."

Are you actually negotiating with the person that makes the ultimate buying decision? Does the client have a genuine need for your product and service and how urgent is that need? Are they using a competitor's product or service or taking proposals from other providers?

The more information you have (and an understanding of which variables you don't know but can at least anticipate) the more prepared you will be.

Take a "collaborative negotiation" approach

A competitive mindset is integral in an effective salesperson. But, unfortunately, that competitive mindset can be your downfall when negotiating.

Adopting a collaborative mindset during negotiations, rather than a competitive one, is proven to achieve better outcomes for all parties. The "Prisoner's Dilemma" exercise, which we often run in workshops, is a perfect illustration of this.

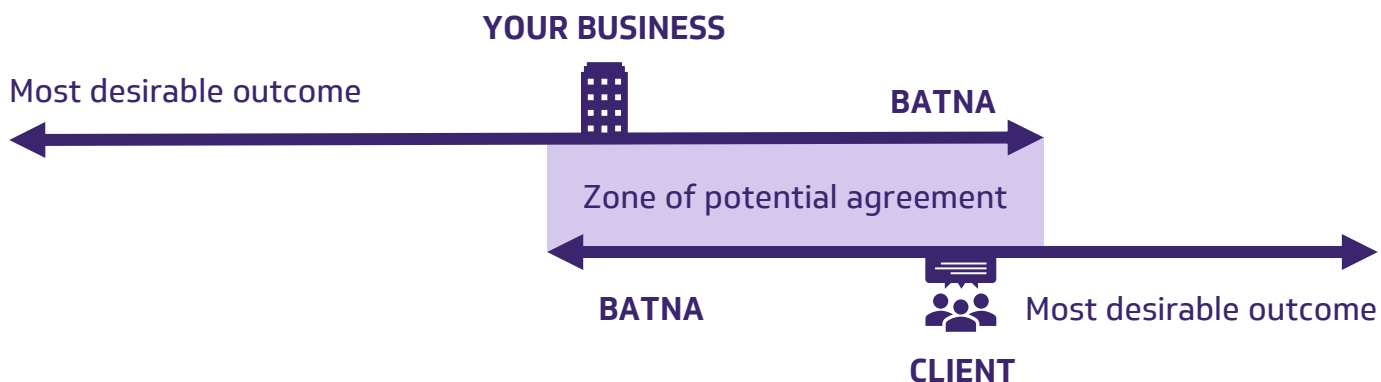
But even this approach won't work if you haven't qualified adequately. You need to fully understand what your prospect's win looks like in order to help them achieve it.

Define your objectives before negotiations begin

Obviously, coming away with a signed deal is your primary negotiating objective. However, you need to establish a range of scenarios that are acceptable to your business.

For example, your best-case scenario may be to walk away with a five-year-commitment from your customer. If this isn't achievable, you may settle for a two-year commitment but anything less than that and you will walk away.

Without establishing a zone of possible agreement (ZOPA), and the point at which you're prepared to end discussions, you won't be able to negotiate.



Establish where you can build flexibility into the deal

Let's get one thing straight: you should never move on price or fee unless the buyer agrees to concessions. If there's a change in the fee structure, then ensure you alter the scope of provision to reflect that. If you discount without any flexibility from the buyer, it diminishes the perceived value of your product or service and erodes your customer's trust in you.

Instead, unbundle your proposition and decide what levels of service you can provide for different budgets.

Don't negotiate with yourself

The meeting couldn't have gone better and you leave with the immortal words ringing in your ears: "That was great. We'll be in touch to get things started."

And then silence. The days tick past and you haven't heard a peep. Perhaps you need to add an extra sweetener to move things along?

However, this is quite a common tactic adopted by procurement departments. You'd be amazed at how many organisations have achieved a significant discount by doing absolutely nothing.

A desperate salesperson convinces themselves that they're going to lose the deal, purely because their e-mails and voicemails have gone unanswered for a week or two. Hold your nerve – you don't want to slash your commission just because a key decision-maker had the flu.

To discover more about driving sales performance through improved negotiation, [let's talk growth](#).