

Secrets To Becoming A Super Negotiator!



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3 Secrets Successful Sales Negotiators Use To Win



Ok, so I'll be the first to admit it – I used the forbidden word “win” in the title. In sales negotiations we prefer to not say “win” because it implies that there is also a “loser”, and that's not a good thing. How about if we try something like “3 secrets to always walking away feeling successful“?

It's All About Patterns

Successful sales negotiators are good at what they do because they know what they are doing. That being said, they also have developed **patterns** for conducting sales negotiations that serve them well. If you want to improve how your sales negotiations turn out, then taking the time to study these patterns will help move you towards your goal.

The 3 Secrets

1. **Control Your Location & Time**: Just like most sports teams, the sales negotiator who conducts a negotiation on his / her home turf tends to do better. Negotiating at your base of operations makes life easier – you have better access to information and people and you spend less time searching for things that you need to complete the deal. Additionally, although there is no one perfect time to conduct sales negotiations, every deal has its own best time. Late on Fridays can often be a powerful time to close a deal quickly!
2. **Understand Your B.A.T.A.N.A?**: Before you start any sales negotiation, you need to make sure that you have a good understanding of what your Best Alternative To A Negotiated Agreement (BATANA) is. If the talks break down, what will your next action be? Knowing this in advance gives you more power while you are negotiating.

3. **Start High, Give In Slowly:** If you are negotiating to sell something, you need to plan the negotiation in advance. This means setting your price high enough so that you have room to allow the other side to “bring you down”. During every negotiation, you will have to make concessions to the other side. Studies have shown that sales negotiators who make their concessions in smaller increments seem to end up doing better.

Next Steps

The art of sales negotiations does not have one magic “silver bullet” that suddenly transforms an average sales negotiator into a top-notch sales negotiator. Instead, there are a 1,000 **negotiating skills** that provide the scaffolding that we all need in order to climb to the next level negotiating. Get this right and you’ll be well on your way to being able to close better deals and close them quicker.

3 Things Every Sales Negotiator Needs To Know



Wouldn't it be great if the best sales negotiators in the world could drop by our place and sit down with us for awhile to **share what they've learned**? If you knew that they were coming, what questions would you ask them?

We've already talked about [some of the things that master sales negotiators could teach us](#), and we've covered some of the [secrets](#) that they use to walk away with the results that they wanted.

However, let's dive deeper – if we only had a few minutes to talk with a master sales negotiator, **what would they want to share with us**?

Buyers Need To Move Slower Than Sellers

Our sales negotiations are more often than not a game of back-and-forth: offers are followed by counteroffers which are then themselves countered. One thing that too many of us overlook is that the buyer's first counter offer is **one of the most important events** in a sales negotiation.

Before the buyer makes a counteroffer, the buyer has no idea if there is any chance of striking a deal. The more the buyer goes on talking and doesn't make a counteroffer, **the greater the doubt in the seller** will be. In fact, he/she may end up lowering their price just to get the buyer to make a counteroffer in the first place.

Learn To Say “Yes” Sloooooowly

Sometimes, no matter what side of the table you are on, you'll be presented with a deal that is perfect just the way it stands. The price is right, the terms are good, and it meets your schedule. You are busy and have lots of other things to do – you want to say “**yes**” and move on to other things.

However, the master sales negotiators would caution you against doing this. It's not that there is anything wrong with the deal, it's just that you are going to leave the other side with a **bad**

feeling about the negotiation. They are forever going to be filled with doubts about the deal (and they may do a poor job of keeping their part of the deal). However, if you say “no” a few times or at least take you time saying “yes”, then they will feel as though they “**earned**” the final outcome and this will, surprisingly, leave them feeling more satisfied.

Breakdowns – Good For Buyers, Bad For Sellers

Most of the time, the deal that we’re negotiating can be quite complex. In these cases it’s natural for the buyer to request a **breakdown of the prices** involved. This is an excellent way to get some insight into the seller’s costs.

On the other hand, providing such information is going to allow a buyer to do a better job of negotiating a lower price so sellers should work hard to **not have to provide them**. This can be impossible if they ask for it at point blank; however, trying to avoid ever getting into that situation is always a good plan.

Final Thoughts

As we’ve said before, the art of good sales negotiating does not rely on one single skill. Rather there are literally 1,000s of small details that if you can get them right, then you’ll turn into a force to be reckoned with during any sales negotiation. The **three skills** that we’ve discussed here will get you on your way to becoming a sales negotiating pro and will allow you to close better deals and close them quicker.

Sales Negotiators Know Not To Give In First



I wish that there was some sort of black magic potion or single scientific study that I could point to in order to justify what I'm about to tell you, but there isn't. So here it goes: never be the first to make a concession on a **MAJOR** issue.

Why Should We Take The Hard Line Here?

[Concessions](#) are a part of every sales negotiation. In fact we've spent a lot of time talking about [the 5 ways that sales negotiators can use concessions](#) to get what they want. Now all of a sudden it looks like we're doing a 180 and telling you to not give in. **What's up with that?**

The big difference here is that we're focusing on the MAJOR issues – not the 100's of other, smaller issues that come up during any sales negotiation. It's on these issues and these issues alone that **you need to take the hard line.**

It's All About The Experiments

This is one of those things that has been the subject of a lot of on-the-job experimentation. What each of the studies has shown is that the side of the table that makes the first concession on an important issue **always seems to end up doing poorly.** The reasons are not completely clear, but it appears as though the side of the table that made the concession then finds themselves on the defensive during the rest of the negotiation.

How Can You Use This Information?

Knowing that giving in first on major issues is a bad idea, you need to adjust your negotiating strategy so that you don't deadlock over these issues. This means that **BEFORE** you allow the sales negotiation to get to a major issue, make sure that you discuss several smaller issues. On

these issues, **make the first concession** if it is appropriate. This will buy you good will with the other side that you'll be able to play on when you reach a major issue.

Final Thoughts

When you stand firm on the major issues you'll be **sending a message** to other side that perhaps their expectations are too high and they should start to expect to lower them. Since you won't be giving in first, you won't have to be on the defensive for the rest of the sales negotiations and you'll be all set to close better deals and close them quicker.

Deadlines Make Sales Negotiators Give It All Away



Every sales negotiation has [some sort of time limit associated with it](#). You might have an hour, a day, or even longer to conduct the negotiations, but there is some point in time at which **you'll run out of time to talk**. This is when most sales negotiations fall apart.

The Problem With The End

Studies of negotiators has revealed a disturbing fact about all of us. During a normal negotiation we engage in a process in which we give a little bit and take a little bit. Pretty much what you would expect in any transaction. However, **then the news arrives**.

When we are informed or we become aware that the window to negotiate is **coming to a close** (perhaps someone important needs to leave for the airport), then for some weird reason one side or the other makes a mistake.

The Big Mistake

When we become aware of an approaching deadline, all too often we start to make big [concessions](#) to the other side of the table **that we wouldn't normally make**. What happens next is that they don't make big concessions to us, instead they make smaller concessions which causes us to make more big concessions.

It turns out that this type of behavior is practiced by both experienced and inexperienced negotiators. The only real difference is that the inexperienced negotiators made **bigger concessions** than the experienced ones did.

Why Do We Behave This Way?

In all honesty, this type of behavior really shouldn't come as a surprise to any of us. It all boils down to one simple fact of life: humans have a tenancy to make very bad decisions when we are **under pressure**. Clearly, [the last few minutes of a negotiation](#) is the worst time for us to be making concessions.

What To Do About It

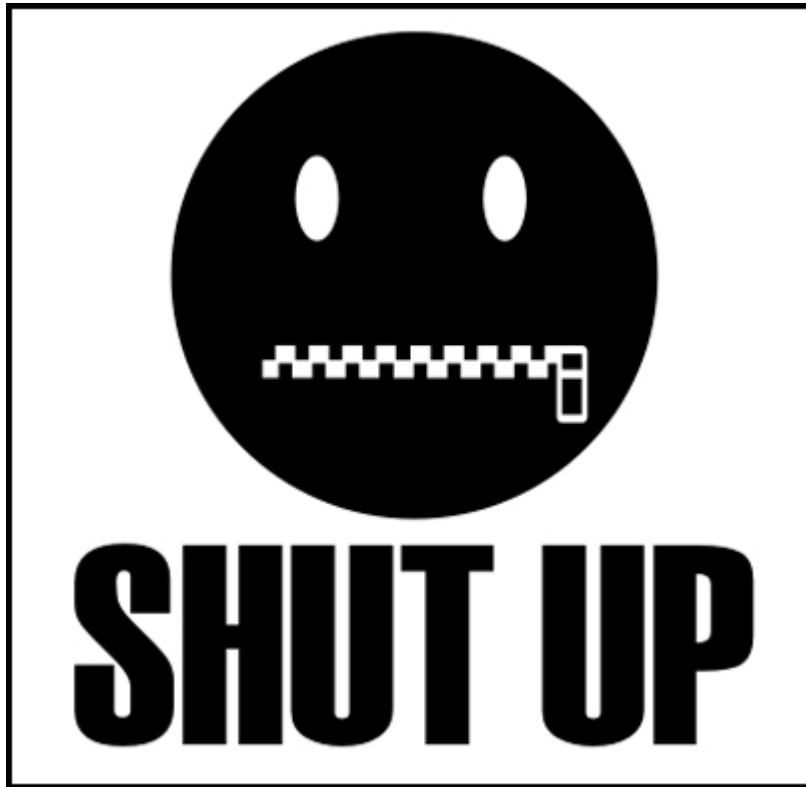
If we can accept that we are poor decision makers when we are under pressure and if we don't want to give away the farm at the end of a sales negotiation, then what's a sales negotiator to do? In the end this is all about **self-discipline**.

You need to limit yourself to only making **small concessions** during the negotiation and you need to **space them out** during the negotiations instead of bunching them up at the end. As the end of the negotiations draws near, before you make **ANY** concession keep asking yourself:

1. Why should I make this concession, and
2. Can this deadline be negotiated?

If you can keep these questions in mind as the negotiations wind down, then you'll be all set to close better deals and close them quicker.

Shut-Up Is What Sales Negotiators Need To Learn To Do!



Negotiation is all about [power](#). The trick to walking away from a sales negotiation feeling satisfied about what you were able to achieve is to make sure that you walk **IN** to the negotiation with more negotiating power than the other side has. Sounds easy doesn't it? I've been amazed over and over again to see sales negotiators **just give away their negotiating power** to the other side time after time. They just don't realize that they are doing it. Let's see if we can put a stop to this...

How Do Sales Negotiators Lose Power?

Negotiating power can be a funny thing. You can have a lot of it and not even know it. Likewise, you can give it away and not be aware that you are doing so. There are a lot of ways to lose power but the #1 way is for you to **run your mouth too much**. Ultimately negotiating power is all about having **more information**. Whichever side of the table has more information about the other side has the power. Information can be used against you, so you want to hold on to it as tightly as possible.

How To Hold On To Power During A Sales Negotiation

If only it was as easy as keeping your mouth shut! Nope, there are actually a number of things that you can do in order to ensure that you **keep the upper hand** when it comes to negotiating power during your next sales negotiation:

- **Don't Talk Business:** In the small talk that occurs before the start of any sales negotiation, don't talk about business. You might be able to not give away any secrets, but maybe you'll make a mistake. Stick to weather, sports, family – anything but business.
- **Let The Other Side Do The Talking:** Even better than you talking is getting the other side to talk, and talk, and talk. Just as you can leak power to the other side, the more they talk the better the odds that they will say something that will give you more negotiating power.
- **Keep Your Timeline A Secret:** At the end of a fiscal quarter, negotiating with a salesperson who has already met his / her quota is completely different from negotiating with one who hasn't. If you are this salesperson, don't let the other side know where you stand – also don't mention if business has been slow, or if you've got product piling up all over the place.
- **Don't Start With Discounts:** All too often salespeople will start a sales negotiation that they are anxious to close by offering a discount or some other enticement to the other side right off the bat. Don't do this – although it might have worked in some other negotiation, if you start this way then the other side won't see the value in your offer and you will have lost power even before the negotiations have begun.
- **Tell Everyone On Your Team To Shut-Up!:** Even if this discussion sinks in to your brain, you can still lose power by comments that the engineers, procurement staff, and even the lawyers on your team make. Take the time BEFORE the sales negotiation begins to huddle with your team and explain to them that the more they talk, the more negotiating power they will be giving away to the other side.

Final Thoughts

Things that we can't see are hard for most of us to get our hands around. Power in a sales negotiation is one of these things – it can be hard to tell how much of it you have and if you've lost some of it. Remembering to keep your **mouth closed** and working with your team to make sure that **they do the same thing** will allow you to close better deals and close them quicker.

Don't Believe What Anyone Says Is What Sales Negotiators Need To Learn To Do



People are either honest or they aren't right? Umm, well not exactly. Look, in a sales negotiation everything is not as it seems. I hate to use strong words like “**lying**” or anything like that, but let's just say that a healthy dose of **skepticism** is often a sales negotiator's best friend.

What's Going On Here – Can't Anyone Tell The Truth?

The older a sales negotiator gets, the more he / she is less likely to believe just about **ANYTHING** that they are told. There is a reason for this! In the end, sales negotiating is all about power – who has it and who doesn't. However, just like in the game of poker **bluffing** is not only allowed, it is often encouraged.

If you don't believe me (or you don't WANT to believe me), then think about how a buyer and a seller interact when they are trying to complete a deal to **buy a house** – talk about some serious poker playing!

Where Do The Lines Get Drawn?

We are in a very murky area here and it's very easy for a sales negotiator to stumble over the line and fall into the **dark side** – becoming a flat-out liar. It's necessary that you operate here, but you've got to watch your step.

Our house buyer / seller are going to be presenting information that may **not quite be the complete truth**. The house seller is going to be talking about all of the things that make the house a fantastic house – and leaving out any discussion about the leaky pipes in the basement and the squirrels that have set up a home in the attic.

Likewise the buyer is going to be trying to mask any real interest that he / she may have in buying this particular house. Additionally, the buyer will be working hard to NOT communicate

how much funding he / she has to complete the purchase. Is anyone lying here? No – but they are also not telling the **complete truth**.

One Word – Be Skeptical

A good sales negotiator is **ALWAYS** skeptical about anything that he / she is told by the other side. This includes when the other side uses facts & figures (where did they come from?), experts (what makes them an expert?), and handsome bound color documents (Kinko's can turn out great stuff overnight).

As a sales negotiator your job is to always be **asking questions**. Take nothing at face value and always assume that the other side is probably not giving you the complete story. This is how you are going to transfer power from the other side to you.

Final Thoughts

Being a “**doubting Thomas**” is a great skill for a sales negotiator to have. One important rule of life has been give to us by the Las Vegas board of tourism: “What happens during a Sales Negotiation, **stays in the negotiation**.” This means that you can't have any hard feelings about what information the other side revealed (or didn't) during the negotiation after it is all over and done. Having a healthy dose of doubt while negotiating will allow you to close better deals and close them quicker.

Deadly Sins Of Sales Negotiations: Hope And 3 Others



We all hear so much about the smooth [Donald Trumps](#) of the world that we can fall in to the belief that everyone shows up for a sales negotiation better prepared than we are. Nothing could be further from the truth. In fact, there are **four common sales negotiation mistakes** that even really smart people make all the time. Are you making any of them?

The 4 Deadly Sins Of Sales Negotiations

It turns out that the reason that so many sales negotiations turn out poorly for negotiators is because they enter into the negotiations with the wrong **state of mind**. Instead of preparing for the negotiation, they go in with a “let’s hope for the best” type of mindset. How can they possibly hope to do well?

Sales negotiators who have this type of mind set more often than not don’t do well during a negotiation. They fall prey to the **four deadly sins** of sales negotiations:

1. No plan
2. Bad agreements
3. Poor reading skills
4. No follow up

Your Plan Is That You Have No Plan!

While I worked for Siemens, there was a large French-Canadian director who would occasionally explode in strategy meetings and shout at people that “Your Plan Is That You Have No Plan!” In a sales negotiation, this is often the case when people enter into the negotiation without a plan.

Instead of a plan, they have **hope**. Hope that things will go well. That they won't make too many mistakes. That the other side will make mistakes. A sales negotiation is a journey, not a destination. You need to have a **plan** (concessions, demands, questions, schedules, etc.) for how you are going to get to where you want to go.

Agreement Without Clarity

During everyday conversations with friends and coworkers, we all have a tendency to agree to things that we may not have a full understanding of. This is a polite way of keeping the conversation going even when we may not fully grasp what they are saying – we figure that we can pick it up later on.

This same type of behavior during a sales negotiation **can be disastrous**. If you don't take the time to fully understand what you are agreeing to, you may find yourself quickly in a bad situation. Call for a break, take a time out, or ask the other side of the table to better explain something before you agree to it.

Doing A Poor Job Of Reading

Looking the other side in the eye and signing a contract with a big flourish sure can make a strong impression – that you don't have any idea what you are really signing. I learned a long time ago that he who takes the notes, ultimately controls how a meeting turns out. The same goes for sales negotiations – it really doesn't matter what you **THINK** you've agreed to, it's the words that make it onto the paper that **really matter**. Take the time to read them!

Follow Up, Follow Up, Follow Up!

It's too easy to think that a sales negotiation is over and done with once the last paper has been signed and the handshakes have been exchanged. However, both sides of the table have a responsibility to follow up and make sure that the agreement **is being executed** by both sides. Not only is this a critical part of doing business, it can have a big impact on any future negotiations between the two sides.

Final Thoughts

A long time ago I took a scuba diving class. One of the key lessons that they taught in that class was the simple phrase "Plan your dive, dive your plan." The same thing can be said about sales negotiations: you need to have a **plan** and you need to follow it if you want to have any chance of being successful.

We now know what can happen if you don't have a plan: you'll end up skipping over important steps like agreeing to things that aren't clear, not reading things that you are signing, and not following up after the deal is done. Remembering to plan your negotiations ahead of time and avoiding the 4 deadly sins of sales negotiations will allow you to close better deals and close them quicker.

Real Deals Use Real Money And Sales Negotiators Never Forget It



My daughter is currently learning about how to add fractions in school. The trick to doing this right is that you have to make sure that the **denominator** (the number on the bottom of the fraction) is the same for both numbers before you add them. She's struggling with this concept and it reminds me of a key sales negotiating point – never try to do a deal using [funny money](#).

Just What Is Funny Money?

We all have heard the phrase “**apples to apples**” right? Well funny money is something that can either sneak into a sales negotiation or be slid into it by one side of the table. When this happens, all of a sudden you aren't comparing two equal things such as how much a product costs and how much you are willing to pay for it. Instead, all of a sudden you've got **apples, oranges, and bananas** on the table in front of you.

A great example of funny money in real life is what happens when you gamble in a casino: you don't use real money, **you use chips instead**. There are a number of reasons for this, but a key one is that chips don't “seem” like real money. That allows us to gamble more and not feel as bad when they all go away (although it still hurts when we get the bill later on!)

Examples Of Funny Money In Sales Negotiations

Whether intentionally or not, funny money can slip into just about any sales negotiation. It's the careful negotiator who keeps his / her eyes open and **spots it when it shows up**. Here are a few examples of what funny money can look like:

- **Price Per Unit**: If I'm asking you to lower your blue widget price by two cents per unit, that seems like a small matter, right? It is until you realize that I'm trying to buy two million blue widgets and so what I'm really asking for is a \$40,000 discount. Now that's real money!
- **Price Per Lot**: This is the flip side of the previous tactic. If I'm laying mulch in my yard and you tell me that you'll sell me 10 bags of mulch for \$20, that sounds like a fair deal. Until I realize that since I need 200 bags of mulch, we're really talking about me paying you \$400 for mulch. The total quantity needed and its price is what we need to negotiate.
- **Interest Rates**: This is exactly what built those credit card companies into the powerhouses that they are today. If I borrow \$60,000 at 10% on a 5-year loan to start my business, then I've just agreed to pay the bank \$16,489.20 for the privilege of using their money. Sure seems like I should try to negotiate a lower interest rate.

Final Thoughts

It is the job of every sales negotiator to train yourself to always be asking the question: **what is that worth**. Just like my daughter is trying to learn to remember that she always needs to convert the denominator of two fractions to the same value, so too do sales negotiators need to learn to always "**map**" funny money to real values.

No matter what the other side of the table says, always take the time to **translate funny money into real dollars and cents** (or whatever currency you are using). If you don't take the time to do this, you run the risk of making a bigger concession than you intended to. Learn to deal with funny money correctly and this will allow you to close better deals and close them quicker.