

## 32 Fatal Negotiating Mistakes That Cost Sales People Money

Most sales people are required to negotiate with their prospects and customers. But let's face it, today's consumer and corporate buyer is much more aggressive when negotiating the terms of a sale. Unfortunately, many sales people lack the same level of sophistication when negotiating with savvy purchasers. Here are thirty-two fatal mistakes that sales people often make when they negotiate and these mistakes cost them money in lost sales and profits.

1. Believing that price is the primary reason why people make a buying decision. Although price is a factor in every sale, it is seldom the motivating factor behind a person's final decision
2. Not asking enough high-value questions. I'm still amazed how few sales people take the time to ask great questions during the sales process which makes it more difficult for them to effectively position their offering.
3. Not gathering the RIGHT information. While it is essential to ask questions, it is equally important to ask the right questions so you can negotiate more effectively.
4. Falling prey to the myth that ALL of your competitors are always cheaper. Someone, somewhere will always be able to sell a similar product for less. However, unless you are the absolute highest priced vendor in your marketplace, not all of your competitors will be cheaper.
5. Failing to establish the value of their product, service or solution. Value is in the eyes of the beholder so determine what is important to each buyer or customer and position your product or service accordingly.
6. Allowing their ego to get in the way. Negotiating is part of business but I have seen people walk away from a good deal because their ego got in the way and clouded their judgment.
7. Failing to remain objective during the sales and negotiating process.
8. Another mistake is to reveal any deadlines you working with. A tight deadline puts you under time pressure and a savvy person will use this grind out a better deal for themselves.
9. Neglecting to negotiate with limited authority. Don't hesitate to tell a prospect that you need to check with your boss before you agree to a concession. This gives you wiggle room and allows you to appear that you are working on behalf of your customer.
10. Failing to plan. Failure to plan means planning to fail. Invest the time to plan your approach, the tactics you will use, the concessions you are prepared to make, and what information you still need to negotiate the best possible outcome.
11. Failing to determine a walk-away point. If you don't know when to walk away from a sale, you could end up losing money.
12. Unable to walk away. Too many sales people find themselves in the position of accepting an offer only to discover later that the deal actually cost them money. If the sale doesn't make good business sense be prepared to walk away from it, regardless of the time you have invested.
13. Not taking a time out to think. Important decisions are sometimes made without proper thought; often in the heat of the moment or in order to get the deal done. Taking the time to think about the implications can save you money and add critical profit dollars to your bottom line.
14. Failing to get a different perspective. I often talk to my business partner before making a final negotiating decision. This gives me a different perspective, and often, new ideas and strategies. Use your time out to review the deal with someone who is not attached to the outcome.
15. Negotiating with the wrong person or people. If you're not talking to someone who can make a final buying decision then you are dealing with the wrong person.
16. Talking too much. I have watched dozens of sales people negotiate with themselves because they talked too much. The best negotiators listen more than they talk.
17. Not using silence as a negotiating strategy. I saw this in action when my wife spoke to a client on the telephone. Instead of immediately responding to the person's request, she paused and remained silent. A few moments later, the client made a concession that added more money to the deal.
18. Making too many assumptions. You may have heard the expression, "Assuming makes an ASS of U and ME." Enough said.

19. Not properly using written testimonials and endorsements. Assuming you have testimonials in place, I suggest arranging them into different categories so you can use the right testimonial at the right time.
20. Giving in too soon. People appreciate what they have to work for. If you give in too soon, people will think that something is wrong with the product or that you are desperate for the sale.
21. Not listening carefully enough. Instead of waiting for your turn to speak listen intently to other person. It sounds simple but it takes effort, energy and patience.
22. Fear of losing the sale. Remember, there will always be someone else to sell to. This fear is more prominent when a sales person's pipeline is running on empty so avoid it by constantly adding new prospects to your pipeline.
23. Immediately offering a discount to close the deal. Remember, price is seldom the primary reason people make buying decision. Avoid the temptation to drop your price unless you have first considered other options.
24. Making too many concessions without getting something in return. If the other person refuses to make concession, you are simply negotiating against yourself. Don't be afraid to ask for something in return for offering a concession.
25. Failing to pay close attention for clues and underlying messages. Watch the other person's behaviour and body language. If they look down when asking for a discount, it indicates that they may be uncomfortable making that request.
26. Making concessions too quickly. When you make people wait before you concede to something, you increase the value of that concession and you subconsciously tell them that if they keep asking for concessions, the negotiating process will take longer.
27. Lack of confidence. This is usually a result of lack of negotiating skills which is why it is important to practise negotiating as often as possible. It can also be caused when negotiating with someone who is perceived to have more power than you.
28. Being overconfident when entering the negotiations. Get your ego out of the picture. I have seen some sales go sideways because the seller was overconfident in their approach.
29. Failing to practise. Great negotiators use every available opportunity to practise their skills. The more you negotiate the better you will get and the more comfortable you will become.
30. Believing that the buyer or customer has all the power. While I accept the fact that buyers have more leverage in today's business climate, it is essential to realize that you can walk away from a deal if the other person get too aggressive or makes unrealistic demands.
31. Not using a variety of tactics and strategies. Great negotiators are well versed and they know how and when to use specific tactics such as the Flinch, Trade-off Principle, Nibble, etc.
32. Trying to rush the negotiating process. Effective negotiators have the patience of Job. They can wait out delays and they never show anxiety when the process doesn't move as quickly as they would like it to.

There you have it. Thirty-two mistakes, blunders and gaffes that sales people make when negotiating. Avoid these errors and improve your results, your top-line sales and your bottom-line profits.

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