Marketing Minute ~

The Two Classic Objections

It's a recurring theme these days. You know the 'drill'. You've done your homework, the prospect likes what you're offering, and after all of your hard work, you see yourself walking out with an order! You're ready to close. Then, you hear one or both of these dreaded, "I really like what I see, but I just don't have the budget." Or, "let me think about it."

OK, what's going on? Yes, in sales, you hear it a lot. Are they telling the truth? Let's face it, some prospects toss out this classic objection, or both, because they simply want to get rid of you. OR, they DON'T want to be sold. The trouble is, these are pretty hard times we are in right now, and if you are not savvy to this brush off, you can waste a lot of time and energy following up with emails and phone calls and getting nowhere fast.

On the other hand, yes, we are in recessional economic times. Maybe they DON'T have the budget. Maybe they need to think about it because of....budget? It's pretty hard not to take the prospect seriously, given these times and conditions of most businesses. So, how do you handle these two classic objections? How do you find out if they are REALLY the truth?

There are basically three approaches.

1) First, you could say nothing. Just waiting patiently. Silence over the telephone creates a vacuum and most people get uncomfortable with the silence. After two or three or four seconds, most people feel the compelling need to fill the void with words. You will be absolutely amazed at how well this technique works as long as you can discipline yourself to hold y our tongue for a few seconds.

   Typically, the customer will elaborate on the objection and this often uncovers the real objection. For example, they might explain that they have to speak to their boss or their partner. Suddenly you discover another player in the game. They may reveal that they are looking at other proposals and now you know you are in a competitive situation. Or they may simply not be interested at all. In any event, you have more information upon which to base your next step.

2) Ask leading, open-ended questions. This is simply put, a probe for legitimacy. This is a way to question the prospect to determine if the objection is legitimate or a smokescreen. If their response was "I just don't have the budget," you could respond by asking "What type of seasonality do you experience?" "What was the last time you made this type of (product/service) purchase? How did it go?" Think financial proposition, budget planning, or guarantee. In other words, find out what type of ROI would they need to make this action worthwhile? Find out what their fiscal year is and if their budget is gone for 'this year', perhaps within a short period of time their next budget would begin, and you could possibly fit it in then. Or, you could find out what type of guarantee of response they would need to make the purchase action worthwhile for them. But in this circumstance, remember this:
   - Never automatically offer a price concession.
   - Don't accept the responses at face value, always probe for the 'hidden' reasons.
   - Ask, "What are your future plans to buy?"
   - Ask yourself, "How badly do I want the business? When? At what cost?

   If their response is that they 'have to think about it,' then probe in a different direction. Ask about what concerns they may have, what may be causing them to hesitate, ask what questions you may have left unanswered, and what their final decision will be based on. This type of probing will get the prospect to open up and to help you determine if the objection is real or otherwise.

3) Timelines. Another approach is to grant them the time, but put a time limit on their pondering and their budgetary hesitations. Your response may be something like this, "I understand completely, Mr. Prospect. A decision like this needs some time. And what I would like to recommend is that I give you a call next week to get your thoughts and to determine the next steps. How does Wednesday at 8:45 look on your calendar?" If the prospect accepts your recommendation, the objection is probably legitimate. Either they need to think about it, ask someone else who is a decision maker, or take a closer look at their budget. The client may need the time for whatever reason. But, setting a time and date shows some commitment. The key is not only get a follow-up date but also a specific time.

   This approach is very non-threatening and is perfect for prospects who legitimately want more time to investigate their possibilities. They will appreciate your courtesy and understanding. That's why you deliberately empathize with the prospect by saying you 'understand.' They don't like to be pressured. If you push too hard, they will say no to your offer because they don't like you and your 'aggressive approach.' Your offer could be extremely valuable and well priced, but these prospects value trust and relationship more.

   But what if they balk at your suggestion? Try another date and time and see if they respond positively. If they balk

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again, ask when would be a good time and date. If they cannot make a commitment, chances are they are brushing you off and your time is probably better spent elsewhere.

The next time a prospect responds that they 'don't have the budget', or that they 'have to think about it,' think about one of these approaches. Give it a try and see if you can't place yourself in a position to help them with their business. Right now, in these current economic conditions, you both probably need that.

Information provided for you by ~
Marilyn K. Dayton, Business/Marketing Specialist
http://www.marketingandbizpro.com ~ marilyn@marketingandbizpro.com
860-389-2521

MarketingBiz PROFESSIONALS