

FRANK ATKINSON

BUYER BEHAVIOUR



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Frank Atkinson

Buyer behaviour

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Buyer behaviour

Your goals for this book on buyer behaviour are to understand the buying process. If you are in sales you tend to get taught sales techniques on training courses. Yet no one seems to mention what motivates the buyer, who forms 50% of the relationship. The reality is that people buy differently. Some of us buy quickly, others prefer to buy slowly.

Some of us are happy to make our own decisions, while others prefer to share their decision making. Some of us are comfortable with the buying process, while others find it difficult .

In this book we will explore how your behaviour influences others and how to get the most from the interaction between buyer and seller.

1. Introduction to buyer behaviour

If you want to sell more, you need to understand how people buy things. Buyer behaviour is quite complex. We don't always buy the same way for everything. For example, I am an impulse buyer. I see something, want to buy it and just do it. Except for computers. I love the process of buying a laptop. I will spend hours comparing makes, models and specifications before making my decision to purchase. For most other things my decision making is quick and reasonably inefficient. I look in my wardrobe and see a series of badly thought out buying decisions and clothes that have not had the chance to wear out!

In this book we are going to look at your preferred buying style and how it impacts on others so that you can be more successful in sales.

1.1 Why it's about behaviour

Traditional sales skills have been based on techniques. When I was taught to sell there was a technique for everything. From opening the sales call to closing the sale we were taught a series of techniques. Personally, I found most of these quite manipulative and didn't have a great deal of success putting them into practice.

Nowadays we look at behaviour. Our behaviour influences the behaviour of others. I was once pitching for some business at a big Call Centre in Manchester, England and was with my main telesales trainer, Helen. Helen was and is an excellent trainer, but what happened during the meeting with the client taught me a lot about selling and negotiating.

We were meeting with their team which consisted of their Chairman, Head of HR and 3 Sales managers. At one point the Chairman looked me in the eye and said "Frank, I like your proposal and I am sure you will do a good job for us, but we've never experienced your training before. What I am proposing is that you give us a free day's training so we can evaluate your training methods."

As he said this, Helen reached into her bag for her diary. Fortunately, I managed to stop her and looked him in the eye and said no. We then explored alternative solutions that meant we didn't have to give them a free day.

The point I am making here is that by reaching for her diary she was effectively agreeing to his request. Quite honestly, I would have given him the free day if he had pushed for it as it was a major contract. However, in negotiations you have to be assertive and not give things away too quickly or too easily.

So, our behaviour influences their behaviour, which influences the outcomes of our discussions.

1.2 How salespeople get it wrong

In my experience salespeople and the people who manage them make some basic mistakes:

- They want to make friends with everyone. They use friendship as their main selling strategy. This is fine in some contexts, but in others it can be counter productive. Dale Carnegie wrote his famous best seller, 'How to win friends and influence people' in 1936 and it is still in print today. One of its main messages was that people buy from people they like. However, we need more than one strategy if we are going to sell to a wide range of people. (By the way, I recommend the book. The man was a genius)
- They see things through the eyes of the customer. So, a customer says "You're too expensive". Most salespeople respond by thinking "How much discount can I get away with?" rather than "How can I defend my price?"
- They then go back to their manager and say things like "If we don't do something on price we'll lose the business" in effect negotiating with their boss rather than with the customer.
- They lack assertiveness. They say things like "No problem" when there actually is one. Selling is not just about saying yes. If I agree a 10% discount on a sale that is going to be worth £100,000 a year for 10 years I have given away £100,000 of profit. As the old saying goes "Turnover is vanity, profit sanity"
- They are measured badly. If salespeople are measured purely on turnover why should they worry about profit? We need to incentivise them to make deals that are in the interest of the business and which make them behave in ways that benefit the business.

So, what we need to do, as salespeople, is to become more business minded. Think about your day to day behaviour. If it was your business would you do things the same, or differently.

1.3 So, what do we need to do?

There are a number of things we need to do. I have based these on my learning process that I teach on my training courses. It is a 4 stage learning process:

1. Awareness
2. Understanding
3. Practice
4. Action

The first thing we need to be is aware of the problem. How does our current behaviour influence the outcomes of our discussions with customers? For example, are you an interrupter? People often interrupt because they are enthusiastic and want to help. To the customer, however, interruptions are annoying and the interrupter is seen as someone who is rude and aggressive. Become aware that your interrupting behaviour is having a negative effect on your relationship with your customers. So, what can you do to change things?

The next stage is to understand what you should be doing differently. In the case of the interrupter, this could be to get a wider understanding of the negative effects interruptions have and the importance of questioning and listening techniques. This is the theory behind understanding behaviour. Read books, attend courses, and observe others who have better communication skills than you have.

Practise the skills you want to improve. This can be informal practice with colleagues. The key to practice is that it takes place in safety where you can make mistakes without losing real business. This could be in a team meeting, on a training course, or informally.

Finally action. Choose situations where listening is important and set yourself personal targets. Put your newly learned skills into action and observe the results. Positive results lead to positive changes in behaviour, which lead to ongoing success.

1.4 Making changes one step at a time

Most of our behaviour is influenced by what we learned as children. Therefore it can take some time to change things. What you need to do is to set yourself small targets and change things one step at a time. Or to put it another way, "How do you eat an elephant?" "One mouthful at a time."

Here is a good story:

During World War II, it was rumoured that Hitler and Mussolini had invited Churchill for a secret conference in Paris. They met at a tea table beside a famous carp pool. Hitler ranted, "England is finished, Churchill! Sign this document admitting defeat and all Europe will have peace tomorrow!" Churchill responded, "I don't agree that we have lost the war."

Hitler was furious. He pounded the table and again demanded Churchill admit defeat. Churchill, being the sporting man that he was said, "Why not settle this with a wager?" Hitler asked, "What's the bet?" Churchill said, "See these big carp in the pool? The first one to catch one without using normal fishing equipment will be the winner."

Both Hitler and Mussolini agreed to the bet.

Hitler went first. He pulled his revolver from its holster and aimed it at the nearest fish. He emptied the gun, but because of refraction and the mass of the water the bullets were deflected. Mussolini was next. He jumped into the pond and tried to catch a fish with his bare hands. He slipped and fell. Angrily, he gave up.

Finally, it was Churchill's turn. He began to dip his tea spoon repeatedly into the pool and toss the water over his shoulder. "What are you doing?" Hitler screamed. Churchill replied, "It will take a long time, but we are going to win the war!"

Personal development is a long term, continuous process. We need to set goals, practise and review our strategy. Don't try to change everything at once. Have a plan and put it into practice 'one mouthful at a time.'

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2. Behavioural analysis. Understanding your preferred style and how to deal with other buyer types

2.1 The two forms of behaviour; assertiveness and responsiveness

Let us begin by defining what we mean by assertiveness and responsiveness.

Assertiveness

One definition of assertiveness is being confident and direct in dealing with others. Assertive people know what they want and aren't afraid to ask for it. They also respect the feelings and needs of others and are prepared to negotiate solutions that are acceptable to both sides.

Aggressive people want to win at all costs. Passive people give in and are prepared to lose in order to keep the other person happy. We can all be assertive if we want to. It is a learned behaviour. Many salespeople are not assertive enough and put too great an emphasis on the relationship.

Responsiveness

People who are responsive talk a lot. They are more than willing to answer your questions and volunteer information. Some people are naturally responsive, others aren't. In sales, part of our job is to get the other person talking. There is something I call 'Free Information'. Each customer I talk to has information that I need and I want it for free. My role is to create an environment where they are willing to share this information with me willingly.

When it comes to building relationships we need to match the behaviour of the people we sell to. If we look at combining the two sorts of behaviour we get four possible combinations:

1. Not assertive and not responsive
2. Not assertive and responsive
3. Assertive and responsive
4. Assertive and not responsive

1. The analytical buyer
2. The amiable buyer
3. The expressive buyer
4. The driver



The four buyer styles

ANALYTICAL - 'The Clinician'

Not assertive, not responsive.
Precise, orderly and business-like.
Rational and co-operative.
Self-controlled and serious.
Motivated by logic and facts.
Not quick to make decisions.
Distrusts persuasive people.
Like things in writing and detail.
Security conscious.
Critical, aloof, sceptical.
Excellent problem solver.
Likes rigid timetables.

AMIABLE - 'The Supporter'

Not assertive but responsive.
Dependent on others.
Respectful, willing and agreeable.
Emotionally expressive.
Everyone's friend; supportive; soft-hearted.
Low risk taker, likes security.
Group builder.
Over sensitive.
Not goal orientated.

EXPRESSIVE - 'The Socialiser'

Assertive and responsive.

Reactive, impulsive, decisions spontaneous, intuitive.

Placing more importance on relationships than tasks.

Emotionally expressive, sometimes dramatic.

Flexible agenda; short attention span, easily loved.

Enthusiastic.

Strong persuasive skills; talkative and gregarious.

Optimistic; takes risks.

Creative.

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Set on efficiency and effectiveness.
Likes control, often in a hurry.
Firm, stable relationships.
Stubborn, tough.
Impatient.
Inflexible, poor listener.

2.2 How to deal with behaviour styles

Some ideas for dealing with the different types

Drivers

- Plan to ask questions about and discuss specifics, actions and results.
- Use facts and logic.
- When necessary, disagree with facts rather than opinions.
- Keep it business-like, efficient and to the point.
- Personal guarantees and testimonials are least effective - better to provide options and facts.
- Do not invade personal space.

Expressives

- Seek opinions in an area you wish to develop to achieve mutual understanding.
- Discussion should be people as well as fact oriented.
- Keep summarising - work out specifics on points of agreement.
- Try short, fast moving experience stories.
- Make sure to pin them down in a friendly way.
- Remember to discuss the future as well as the present.

Amiables

- Work, jointly, seek common ground.
- Find out about personal interests and family.
- Be patient and avoid going for what looks like an easy pushover.
- Use personal assurance and specific guarantees and avoid options and probabilities.
- Take time to be agreeable.
- Focus discussion on 'how'.
- Demonstrate low risk solutions.

Analyticals

- Take action rather than words to demonstrate helpfulness and willingness.
- Stick to specifics - analyticals expect salesmen to overstate.
- Their decisions are based on facts and logic and they avoid risk.
- They can often be very co-operative, but established relationships take time.
- Consider telling them what the product won't do - they will respect you for it, and they will have spotted the deficiencies anyway.
- Discuss reasons and ask 'why?' questions.

2.3 Identifying your preferred style

This questionnaire contains a number of statements, each showing **two** extremes of a scenario. Consider each statement in turn and using the scale, score yourself according to how far you feel each statement describes you.

For example, in Questionnaire A, if you feel that 'approaches risk, decisions or change cautiously' accurately describes you, score 1-5, depending on the degree the statement applies.

Score 6-10 if you feel 'approaches risk, decisions or change spontaneously' accurately describes you. Try and avoid scoring 5 and 6 where possible, so that you are indicating a clear tendency towards one statement or the other.

When you have completed the questionnaire, total your scores for Parts 1 and 2 and enter in the spaces provided. Then complete 'Plotting Your Behavioural Style' on page 4 of the questionnaire.

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Roland Berger Strategy Consultants Roland Berger Strategy Consultants is een internationaal strategisch adviesbureau, met circa 2.100 medewerkers in 36 kantoren verspreid over 25 landen. In Europa behoort de firma tot de top-3 van strategieadviseurs en wereldwijd tot de top-5.

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Interesse?

Meer informatie vind je op: www.werkenbijrolandberger.nl of bel met: Jane Degenaar, Recruitment, telefoon 020-7960615

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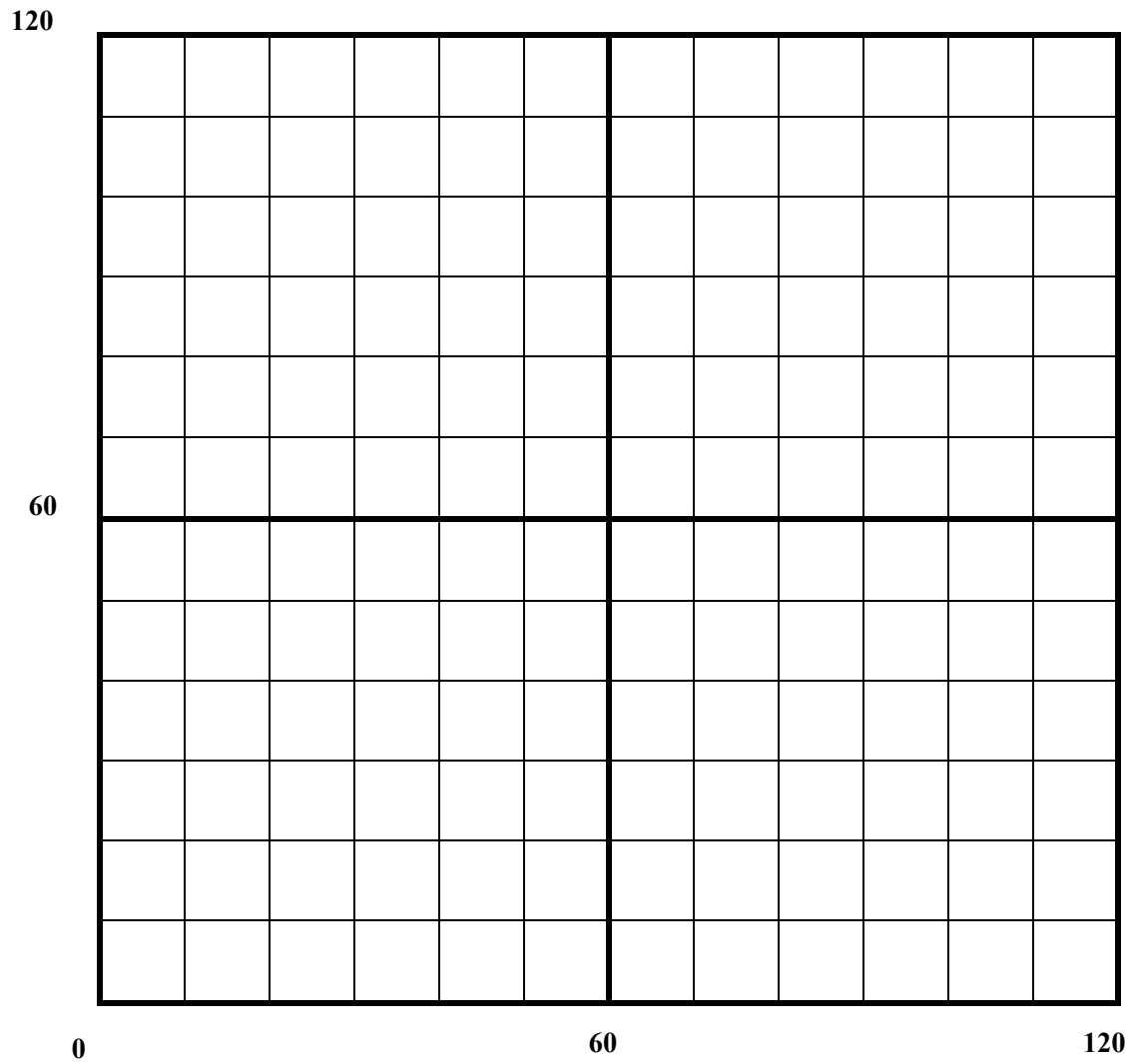
Questionnaire A

Approaches risk, decisions, or change cautiously	1	2	3	4	5	6	7	8	9	10	Approaches risk, decisions or change spontaneously
Infrequent contributor to group conversations	1	2	3	4	5	6	7	8	9	10	Frequent contributor to group conversations
Emphasises points by explaining the content of the message	1	2	3	4	5	6	7	8	9	10	Emphasises points by confident use of voice, tone and body language
Asks questions to clarify issues, gain support or gather information	1	2	3	4	5	6	7	8	9	10	Questions tend to be rhetorical, to emphasise points, or challenge information
Keeps opinions to themselves	1	2	3	4	5	6	7	8	9	10	Expresses opinions readily
Patient and co-operative	1	2	3	4	5	6	7	8	9	10	Impatient and competitive
Diplomatic and collaborative	1	2	3	4	5	6	7	8	9	10	Confrontational and controlling
When there is disagreement, likely to go along with the other person's point of view. Tends not to argue	1	2	3	4	5	6	7	8	9	10	When there is disagreement, likely to maintain their position. Argues
Restrained and reserved	1	2	3	4	5	6	7	8	9	10	Emotional and assertive
Initial eye contact intermittent	1	2	3	4	5	6	7	8	9	10	Initial eye contact sustained
Gentle handshake	1	2	3	4	5	6	7	8	9	10	Firm handshake
Infrequent use of gestures, hand movements	1	2	3	4	5	6	7	8	9	10	Frequent use of gestures, hand movements

Questionnaire B											
Keeps feelings private	1	2	3	4	5	6	7	8	9	10	Shows and shares feelings freely
Makes most decisions objectively based on evidence	1	2	3	4	5	6	7	8	9	10	Makes most decisions subjectively based on emotion
Focuses conversations on issues and tasks.	1	2	3	4	5	6	7	8	9	10	Conversations often digress and move away from the subject
Formal	1	2	3	4	5	6	7	8	9	10	Relaxed and warm
Primarily task oriented	1	2	3	4	5	6	7	8	9	10	Primarily people oriented
Likely to be expressionless during conversation	1	2	3	4	5	6	7	8	9	10	Animated facial and body language during conversation
Guarded	1	2	3	4	5	6	7	8	9	10	Self-revealing
Responsive to realities, facts and evidence	1	2	3	4	5	6	7	8	9	10	Responsive to feelings, visions and concepts
Fixed expectations about people and situations	1	2	3	4	5	6	7	8	9	10	Flexible and easy going about people and situations
Takes time to get to know in business and socially	1	2	3	4	5	6	7	8	9	10	Easy to get to know in business and socially
Sticks to the agenda	1	2	3	4	5	6	7	8	9	10	Goes with the flow
Avoids or minimises physical contact	1	2	3	4	5	6	7	8	9	10	Initiates physical contact

Plotting your behavioural style

Name



- Place score A on the horizontal axis and score B on the vertical axis
- Plot on the grid where the scores meet

Exercise

Development exercise. Behavioural styles

Analyse each behavioural style and for each, answer the following questions::

- How would you recognise each behavioural style?
- How would you sell to them?


Notes:

2.4 How to be more assertive

Here are some tips on becoming more assertive:

1. Work on your appearance. - How you look tells a lot about you. 55% of the message you send out when you meet people is through your body language. Dress appropriately, make eye contact. Try to look and sound confident.
2. Use a clear, calm voice. You don't need to be loud, but you do need to make yourself heard. If people aren't noticing you and you need service, say clearly "Excuse me?" Also, whatever you are trying to say, try to be concise.
3. Know what you want. People can tell if you already know what you want out of them, and it's much easier for them to do what you ask them if you can tell them clearly what that is. Whether you're speaking to an insurance agent or a waiter, their job is to serve you and you'll make their job about ten times easier if you know what you want.
4. Be realistic about your aims. Have a clear objective of what you want. Assertive people are not afraid to ask, but they also pick their battles.

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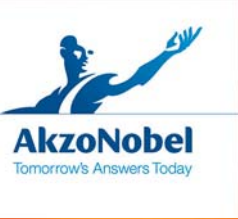


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5. Don't misdirect your frustration. If the airline counter agent tells you you must pay extra for your heavy bag, don't get angry at the agent! Your beef is with the airline's policy (and possibly your failure to read the fine print). Instead, treat the agent like an ally. If the policy was made available to you, apologize and ask for an exception. If you were never informed of the policy, say so, and ask for an exception. Either way, the agent herself did you no harm, so do not direct your frustration at her! She is not the aggressor; she's your potential ally. So treat her well and negotiate respectfully...then take the matter up with the airline's customer service agents.
6. If you're about to engage in an important encounter, like asking for a raise or getting out of an unhealthy relationship, ask a friend to role-play with you. Practice what you are going to say, and have your friend give you feedback. If you aren't assertive enough, try it again.
7. Being assertive does not mean that you should be rude. People are more willing to help someone who is both direct polite and respectful
8. Do not be afraid to ask questions. Asking questions will help you determine what you want and give you an idea of potential solutions. Don't be afraid to tell someone exactly what you think, but do so in a polite way. Speak your mind.
9. If you have to deliver bad news, don't offer unnecessary details. If you explain every single reason for your decision, the other person can use those reasons as negotiation points. Your decision is firm, and this will come across most clearly if you are short and to the point.

10. Don't get angry. It doesn't promote a problem solving atmosphere
11. Remember the big picture. True assertiveness, as opposed to pushiness, allows you to come away from any situation respectably. Pushy people may win battles, but only assertive people win wars. (And only assertive people keep the respect of their peers after a conflict.)
12. In confrontations especially, emotions can run high. Remember to be respectful and keep a cool head. The key to success in confrontations is to use an appropriate tone of voice and the correct words. Speak to someone like you would like to be spoken to!
13. Try asking first; don't demand things straight away. Gather information and make the other person an ally. If that approach doesn't work, then you may put your foot down.
14. Remember, be friendly, because if not, you won't be assertive.
15. Keep a sense of perspective as well as a sense of humour

2.5 Organisational and personal needs

Rank Xerox is an internationally renowned business and has devoted much time, effort and investment to understanding the buying and selling processes.

Xerox Learning Systems did lots of good work looking at buyer motivation. They identified that people buy on 2 levels. They buy:

1. Logically and
2. Emotionally

They identified 2 distinct types of needs:

1. Organisational needs and
2. Personal needs

Organisational needs are the logical needs we need to satisfy. These are:

1. Finance
2. Image
3. Performance

Let's say you are thinking about buying a new Mercedes. You may be motivated by finance and your main motivators could be the credit deals that are available, the high resale value of the Mercedes when you decide to sell it, or trade it in, or the fact that it is a high performance car with relatively low running costs.

You could be an image person, motivated by the world famous tri-star on the bonnet and the kudos that comes with owning a Mercedes.

Otherwise, you could be motivated by performance issues. The Mercedes is one of the best engineered cars you can buy with a plethora of safety features and innovative product features that will satisfy most performance needs.

On a personal level we have a range of personal needs. Xerox identified 6. These were:

1. Power
2. Achievement
3. Recognition
4. Affiliation
5. Order
6. Safety

People with power needs have to be in control. They are very assertive and want to be in charge. They can be quite intimidating and buy relatively quickly.

People with achievement needs are motivated by achieving things, although they don't necessarily want to be in charge. They are motivated by success and want to achieve success by their efforts. They respond well to targets and prizes because they are fiercely competitive.

People with recognition needs are motivated by recognition. They want to be recognised for their success. They don't necessarily want to be in charge as long as they receive recognition. They respond well to praise although this does not necessarily need to be public praise.


People with affiliation needs are motivated by being part of a team. They are not interested in being the boss or taking on lots of responsibility. What they do like is being part of a successful team. They really enjoy team building activities and social events and will work hard under the right leadership.

People with safety needs are risk averse. They will always take the safe approach where possible. They prefer to work in jobs where there is security and certainty. They are not risk takers and feel uncomfortable working in an environment that is fast moving and uncertain.

What we can learn from this is that these traits are also displayed by the people we sell to. When we sell, we need to recognise that people react differently to different situations. When you are selling to:

1. Power people, allow them to feel in control, but don't be intimidated by them
2. Achievement people, talk about how successful this is going to make them
3. Recognition people want to know "How will this make me look?"
4. Affiliation people want to belong to a group that is successful. They like brands and the social aspects that the relationship will bring
5. Order people want a logical presentation with lots of facts and figures
6. Safety people need to minimise risk. Present your proposal as the safest option

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3. Buyer tactics

3.1 How negotiators behave when they want to win

Most successful negotiators recognise that the way people involved in negotiations behave does not always reflect their true feelings or intentions. We are going to look at negotiating tactics that may be used by you or on you. Whether or not you choose to use these tactics, it is vital to understand 3 things:

- These tactics work
- They can be being used on you, and can be used by you
- Once they are recognised as tactics, their effects are reduced, or eliminated

You may feel that there is no need in your particular case to negotiate or resort to 'tactics' in negotiation. This is a matter of personal choice.

In general, tactics are used to gain a short-term advantage during the negotiation and are designed to lower your expectations of reaching a successful conclusion.

There are many tactics available to negotiators. Here are some you may recognise.

Pre-conditioning

This can begin before you even get together, or start your negotiations with the other party. Let us take a sales example:

You telephone for the appointment and the other side says, aggressively:

"Don't bother coming if you are going to tell me about price increases. You'll be wasting your time and I will be forced to speak to your competitors!"

When you do arrive you are kept waiting in reception for half an hour, without being told why. As you walk through the door into the other person's office they indicate for you to sit down, but don't look up. Instead, they sit leafing through your competitor's brochure, in silence, ignoring your efforts to make conversation.

You are given an uncomfortable low chair to sit in that happens to be directly in line with the sun, shining into the office. At this stage, how confident do you feel?

The monkey on the back

Some negotiators have the irritating habit of handing their problems to you so that they become your problems. This is the monkey on their back that they want you to carry around for them.

A classic example is the person who says I have only got £10,000 in my budget. This is often used tactically to force a price reduction. Here is what you can do.

When one side says I have only £10,000 in budget, look worried. Say something like:

That is a problem. As you are no doubt aware, the cost of our systems can be anything up to £20,000 and I really want to help you choose the best system that meets your needs. Does that mean that if one of our systems has everything you are looking for, but costs £20,000, you would rather I didn't show it to you?

The monkey is now on the other person's back and they have to make a choice. If the objection is genuine and the budget figure is correct, you must try to look for an alternative that meets your needs as well as theirs. If they genuinely can only spend £10,000 that is not a tactic but the truth. In dealing with tactics the first decision you must make is whether it is a tactic or a genuine situation. If it is genuine, you have a problem to solve, rather than a tactic to overcome.

The use of higher authority

This can be a most effective way to reduce pressure in the negotiation by introducing an unseen third party and can also be effective in bringing the negotiation to a close. I need to have this agreed by my Board of Directors. If they agree to the terms we have discussed, do we have a deal? Be careful to use this device sparingly so that the other side does not begin to feel you have no decision-making authority yourself.

One way of countering this tactic is to say before the bargaining begins If this proposal meets your needs, is there any reason you would not give me your decision today? If the other side still wishes to resort to higher authority appeal to their ego by saying Of course, they will go along with your recommendations, won't they? Will you be recommending this proposal?

Nibbling

Negotiations can be a tiring process. As the point draws near when an agreement is likely, both sides exhibit a psychological need to reach agreement and get on with something else.

You are very vulnerable as the other side reaches for their pen to sign the order form or contract to concede items that don't significantly affect the final outcome.

Oh, by the way, this does include free delivery, doesn't it?

Oh, by the way, the price of the car does include a full tank of petrol?

Nibbles work best when they are small and asked for at the right psychological moment. Like peanuts, eat enough of them and they get fattening.

This tactic is sometimes seen in retail outlets when you have decided to buy a particular shirt and the salesperson says of course you'll be needing a tie to go with the shirt and, before long, you are coerced into buying much more than you intended. Good negotiators will often keep back certain items on their 'want list' to the very last minute when the other party is vulnerable. Watch out for this.

The good guy and the bad guy

You may have come across this tactic before or else seen it used in films or on television. This is a tactic designed to soften you up in the negotiation.

For example, you are negotiating the renewal of your service contract with the Buying Director and his Finance Director. You present your proposal and the Buying Director suddenly gets angry and walks out in disgust muttering to himself about how unfair you have been and how the 'relationship' is well and truly over.

You pick up your briefcase and are being shown the door when the Finance Director smiles at you sympathetically and says

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I'm terribly sorry about that. He is under a lot of pressure. I would like to help you renew your contract, but he really will not consider the price you have suggested. Why don't I go and talk to him for you and see if we can agree a compromise? What is the bottom line on the contract? If you give me your very best price, I will see what I can do.

The best way of dealing with this tactic is to recognise the game that is being played and assess exactly what the quality of the relationship is. You may be able to say something like:

Come off it, you are using good guy, bad guy. You're a superb negotiator, but let's sit down and discuss the proposal realistically ...

If you don't have this kind of relationship, stand firm and insist on dealing with the bad guy, or else bluff yourself and give a figure that is within your acceptable range of alternatives.

One way of combining 'good guy, bad guy' with 'higher authority' is by saying things like

Well, I'd love to do a deal with you on that basis, but my manager refuses to let me agree terms of this nature without referring back and he refuses to talk to salespeople. Give me your best price and I will see what I can do ...

Body language

It is important in negotiation to react verbally and visually when offers are made. You may have seen the more theatrical negotiators hang their heads in despair or accuse you of being unfair and souring a perfectly good relationship when you present your proposal. Human nature is such that we can believe and accept these outbursts against us and our negotiating position becomes weaker as a result.

Ensure the next time you are in a negotiation that you react to the other party's offer. If you show no reaction, they may be tempted to ask for more and more and you will lose the initiative in the negotiation. Also, it is almost certain that their opening offer is higher than the figure for which they are prepared to settle, so it is important that you clearly signal your unwillingness to accept the opening position.

If you reach the point below which you will not go, it is important that you show this with your body language. News readers, when they have finished reading the news, have a habit of picking up their script and tidying up their papers. This tells the world that they have finished their task and are preparing to leave. Similarly, when you make your final offer, it can be very powerful to collect your papers together and indicate with your body that it really is your final offer. Put your pen away, sit back in your chair and remain silent. Look concerned and keep quiet.

If your voice says final offer but your body is saying let's keep talking, the other party will disregard what you say and keep negotiating.

The use of silence

During the negotiation, you may make a proposal and find the other party remains silent. This can be very difficult to handle and often signals 'disapproval' to the inexperienced negotiator. Just as nature abhors a vacuum, so silence induces the need in people to talk.

If you have a proposal to make, make it and ask the other side how he, or she feels about it. Having asked the question, sit back and wait for the answer. Whatever you do, don't change your offer as this could seriously weaken your position.

The vice

A common technique used by negotiators when presented with a proposal is to say 'You'll have to do better than that.' This can be a very powerful statement, especially when used with broken record.

The most powerful way of dealing with this is to ask them to be more specific. Whatever you do, don't weaken your negotiating position in response to the vice by giving anything away, too easily. This will only encourage repeat behaviour.

The power of legitimacy

People believe what they see in writing. We all assume that if a thing is printed or written down, it is non-negotiable. This is what can make price lists so powerful. If you have to present a customer with a price increase or you wish to encourage an early order to beat a price increase, show something in writing such as an office memo from your boss announcing the increase. This will have a far greater impact than just saying your prices are about to go up.

When presented with a price tag in a shop, ask to speak to the manager and make him an offer. You could be surprised at the results.

The low-key approach

Don't appear too enthusiastic during negotiations. Over-enthusiasm during negotiations can encourage skilled negotiators to review their strategy and demand more. If you are in a negotiation and the other side is not responding to your proposal, recognise this could be a tactic and avoid giving concessions just to cheer them up. Salespeople like to be liked and will often give money away in a negotiation, if the other side appears unhappy.

For example, if you are buying a car avoid saying to the seller things like:

This is exactly what I'm looking for

I really like the alloy wheels.

Develop a low key approach. Say things like:

Well, it may not be exactly what I'm looking for but I may be interested if the price is right

Summary

Review how you sell to people. Realise that everyone is different and to sell successfully we need a flexible approach to all our customers. Also, realise that buyers are trained to understand what motivates salespeople and use this to their advantage. Well, the good news is that we can do the same.

By understanding buyer behaviour we can be more successful and increase our sales revenue and profitability.

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