Is This the Salesperson's Weakest Skill?

Sales Training Fails to Teach the Vital Skill of Handling Objections

By Duane Sparks, Chairman, The Sales Board, Inc.





www.TheSalesBoard.com

Executive Summary

If you visualize the overall skill set of salespeople as a chain that connects sellers to buyers, one of the weakest links in that chain is the ability to handle objections.

In a previous white paper, I described our latest research finding that 64% of salespeople fail to close. This is up from 62% in previous studies. Since 64% fail to ask for commitment (a much better term than "close," for reasons I've explained elsewhere),

logic dictates that the percentage of salespeople who can't handle objections must be even higher-because you won't even hear a customer's objection unless you ask for the business. As a matter of fact, our data shows that more than 90% of salespeople are ineffective at uncovering and then resolving objections. This is a BIG problem! Since objections are present in most selling situations, it's no wonder so many salespeople aren't hitting quota.

When we take a deeper look at the problem, again based on The Sales Board's research, it becomes clear why such a large percentage of salespeople fail to deal skillfully with objections. despite the huge sums spent on sales training: The objection-handling techniques taught by most sales training companies are extremely flawed. And, I'm talking about well-known training outfits, those that share the Top 20 with The Sales Board. In this white paper, I'll give you a number of reasons why sales training companies fail to teach effective methods for dealing with objections. And, I'll describe in detail what research demonstrates is the only right way to improve your sales team's effectiveness at the vital skill of handling objections.

Let's Blame It on the Internet...Again

One of the prestigious sales training companies I mentioned seems to want to blame every sales challenge on the existence of the internet. In the case of objections, they say that

because the internet gives customers access to more information, your customers develop inaccurate perceptions of your solutions or come to believe that other solutions might be better than yours. As if neither of these perceptions were present before the internet came into being?

The thinking is that because of the internet, salespeople today face more objections. Even if this were the case, it's not the heart of the problem. The reality is, regardless of the quantity of

objections, salespeople are not being taught the proper methods for avoiding or resolving them.

It's High Time to Replace Old Ideas

I would say that the birth of the modern "sales force" took place about 150 years ago. The Industrial Revolution created innovations in manufacturing that allowed companies to massproduce products. Once we started to build inventories of products, we needed a sales force to create demand, negotiate sales, and compete with other companies' products.

90% of salespeople are ineffective at uncovering and then resolving objections.

> **Objection-handling** techniques taught by most sales training companies are extremely flawed.



I've been around the selling world for about 40 of those 150 years, and the way most salespeople are taught to handle objections hasn't changed much during my tenure. In the course of my research on the sales training field, I've read more than 500 books on selling. Almost every one of them addresses the topic of objections and describes methods for dealing

with them. The techniques taught by the masters of selling 40 years ago are very similar to those being advocated by many of the top players in sales training today.

When I was a rookie sales rep, I was taught several interesting techniques for handling objections. Does anyone else remember the "Feel, Felt, Found" method? "I know how you feel. Other people **felt** that way until they **found** (describe your solution to the objection)." It didn't work then and doesn't work now. But, if it sounds familiar, that might be

The techniques taught by the masters of selling 40 years ago are very similar to those being advocated by many of the top players in sales training today.

because you heard something very much like it in a sales training course you attended last week.

Here's another example. In the 1980s, Good 'OI Zig Ziglar told us: "If you don't encounter objections during your presentation, you do not have a prospect. Objections are an expression of interest." Many of today's Top 20 sales trainers say the same thing. Here are direct quotes from three of them: "An objection is a buying signal." "Objections signify the customer is thinking about your solution." "An objection is an opportunity to move on with your deal."

I've often suspected that sales trainers repeat this stuff just to give their audience a ray of hope.

As for their solutions to handling objections, these training companies suggest very similar approaches:

- 1. Listen. This sounds perfectly logical. But, isn't listening something you should have been doing during the entire sales conversation? It seems ridiculous to me that "listen" would be the first suggestion for handling an objection.
- **2. Question.** I totally agree with this. You'll see why when I give you my definition of an objection. The problem with the advice that most sales trainers dole out is that it doesn't provide enough direction about what *kinds* of questions can either avoid or resolve the objection. Ask questions? Swell. But, which questions should we ask?
- **3. Respond.** Here's where one Top 20 trainer, in particular, goes off the rail with psychological mumbo jumbo. We are introduced to topics like cognitive dissonance and research from the *Journal of General Internal Medicine*. I don't mind hearing a little about the psychology of selling, but please follow it up with something practical that we can actually do.
- **4. Confirm.** This involves asking the customer if you've satisfied the objection. I can't argue with the need to do this. But, the objective of every customer contact must be to gain agreement to move forward to the next stage in the sales process. Confirming that you handled the objection doesn't necessarily move the sale to the next stage. You still must <u>Ask for a Commitment</u> to do that. Unfortunately, none of these trainers remember to mention that.

These methods simply don't provide salespeople with enough ammunition to consistently resolve or avoid objections.

One of the biggest problems with training from many of the top sales training companies is that their objection-handling methods don't fit comfortably within the selling systems they advocate. Their solutions are essentially detours. And, don't we all hate detours? You're driving along the road and—Ohoh!—here comes the detour sign. Turn off the route you're following, zigzag around for a while, and hope that you wind up back on the road you want. There ought to be a way to handle objections that allows you to stay on the path to gaining a sale. No detours!

Is it a Stall or an Objection?

When you ask for commitment during a sales conversation and you don't get a positive response, you often will hear what is commonly called a stall or an objection. Every other sales training company I know treats stalls and objections as if they were the same thing. That's dead wrong in my book. It's important to distinguish between them because they are not the same.

An *objection* arises when there is a specific reason why your prospect does not intend to buy from you yet. The reason always relates to one of the five buying decisions that every customer makes in the course of every major sale: Salesperson, Company, Product/Service, Price, or Time-to-Buy. An *objecting* customer might challenge you on your price. Or they might be more sold on a competitor's company or salesperson. Or they might question the need to own the product you are offering.

While an *objection* relates to a specific buying decision, a *stalling* customer does not have a specific reason for declining to make a commitment. *Stalls* may sound different, but they all mean the same thing: "I'm not quite sold yet; I need you to sell me some more."

Their objection-handling methods don't fit comfortably within the selling systems they advocate. Their solutions are detours.

Every other sales training company treats stalls and objections as if they were the same thing. That's dead wrong. The following chart gives examples of stalls and objections.

Is it a Stall or an Objection?

Examples of Stalls	Examples of Objections
"I want to think it over. Call me next week?"	"Your price is too high."
"We're tied up with budgets right now."	"I want to look at a competitor."
"I'm sorry, I haven't checked the references yet."	"I prefer the competition's solution."
"Send me a proposal and a brochure."	"We're loyal to our current supplier."
"We want to sleep on it. I'll call you tomorrow."	"We don't need the product until this fall."
"Let me run it up the flagpole with my team."	"I'm not sure your product is a good match for us."

If you've been in sales long enough, you've run into every one of these examples. But, notice the difference between stalls and objections. Stalls are not focused on a specific issue; objections are about one or more of the Five Buying Decisions (Salesperson, Company, Product, Price, Time-to-Buy). This is a critically important distinction and the reason why you need to deal with stalls and objections differently.

Again, every other sales training company puts stalls and objections into the same bucket and suggests that salespeople deal with them using the same techniques. This is dead wrong. It's no wonder most salespeople can't handle either a stall or an objection successfully.

How to Handle a Stall

Because your prospect does not have a specific reason for stalling, it is never appropriate to *challenge* a stall. For example, when a customer tells you she wants to think it over, do

not say something like: "What do you mean you want to think about it?" or, "What exactly do you want to think over?"

Challenging a stall pushes the customer to think up reasons why she is hesitating. If a customer has no specific reason for stalling, your challenge forces her to come up with one. Once she gives you a reason, she will Challenging a stall pushes the customer to think up reasons why she is hesitating. This can create a conflict.

be inclined to defend it. This can create a conflict and apply pressure on the prospect. We want to avoid conflict, especially when we are trying to gain commitment. We want to use persuasion, not pressure.

I said above that all stalls mean the same thing: "I'm not sold yet; sell me some more." The correct response to a stall is to give customers exactly what they are asking for: Sell them some more. The way to do this is to connect a capability that you haven't presented yet to a need that you know your customer has. Begin with a statement that will Tie-Back to the need. Present the solution (Feature) and the Benefit the customer will receive from it. Then ask an open-ended question to determine how well the capability hits the mark. In Action Selling we call this a TFBR (Tie-Back, Feature, Benefit, Reaction). Here's a diagram that shows how the stall-handling process works within the Action Selling system:



*Note that the "Acts" to the left side of the Stalls diagram refer to the 9 Acts of Action Selling. This shows how the stall-handling process is embedded within the Action Selling process. <u>No detours here!</u>



When the customer's response to your reaction question is positive, Ask for Commitment to move the sales process forward. Many practitioners of Action Selling have created a Universal Stall Breaker. This is a capability to which virtually all customers respond positively. Salespeople are taught to hold the Universal Stall Breaker in reserve in case they hear a stall during their initial attempt to gain commitment. Great strategy!

When you handle a stall properly and then ask for a commitment to move forward, you will not hear another stall. Instead, the customer will either make a commitment to you or will reveal an objection. <u>Sometimes there is an objection hiding behind a stall</u>. But, we won't know this until we uncover it. That's another reason why we don't challenge stalls.

Here's an example of how to handle a Stall:

Example of Executing the Stall-Handling Strategy with a TFBR		
Customer:	I'd like to think this over for a while. Could you call me in a couple of days?	
Salesperson:	I understand. You liked the fact that my product is compatible with your current system, and I know you appreciate the quality of our service.	
	Tie-Back:	In addition, you mentioned how difficult it was to handle warranty claims with your current supplier.
	Feature:	With our system, warranty claims are processed online in a matter of seconds. And, if any questions arise you'll have access to our help line that guarantees a 30-minute response time, seven days a week, 24 hours a day.
	Benefit	That means faster claims processing and significantly less inconvenience for you and your staff.
	Reaction:	How do you see this helping you out?
Customer:	We've had a lot of challenges handling claims with our current supplier. My staff complains about it often. If your claims department is available 24-7, that would be a real help.	
Salesperson:	It certainly sounds like it would help in your situation. Would you like to go ahead with this?	
Customer:	Sure, let's get it.	

How to Handle an Objection

Suppose that the customer in our example of handling a stall with a TFBR does not say "sure," but instead reveals an actual objection. An objection is

something you can and must deal with.

Once again, objections always relate to one or more of the customer's Five Buying Decisions (Salesperson,

Company, Product/Service, Price, or Time-to-Buy). The chart labeled "Is it a Stall or an Objection?" gives you several examples of objections. You probably can identify which of the customer's buying decisions each objection might relate to.

To know how to proceed, it is critical to understand why objections occur. Most sales trainers treat objections as barriers that arise in the course of making a sale. Action Selling looks at it differently. We define an objection as "a customer's response to an unasked question."

When a salesperson Asks for Commitment in Act 7, and the customer presents an objection, a little voice should whisper into the salesperson's ear: "This prospect isn't sold on one or more of the Five Buying Decisions. I didn't ask all the right questions earlier in the sales call. I need to go back to Act 3 and Ask the Best Questions."

We define an objection as "a customer's response to an unasked question."



When objections occur, you must gather more information, present a solution to the objection, and ask again for a commitment. In other words, to respond to an objection you'll simply follow Act 3 through Act 7 of Action Selling. You back up, yes, but you never leave the path. You stay inside the process. No detours!

An objection is something you can and must deal with.

Why do we define an objection as the customer's response to an unasked question? Because any objection a customer might raise could have been uncovered with our questions during Act 3 of Action Selling instead of during Act 7 when we're asking for commitment. Objections arise around issues that you failed to uncover in Act 3 and resolve during Acts 4 through 7. You couldn't resolve them because you didn't know they existed. You didn't know they existed because you failed to identify and uncover them by Asking the Best Questions in Act 3.

Here is the tool Action Selling provides for completing Act 3, so you can avoid or anticipate objections while you are seeking to learn about the customer's situation:



If we had followed the Action Selling Best Questions Map, and thus determined the customer's needs, issues, budget, competition, buying influences, and time-frame, the objections we hear at the end of our sales call could have been discovered near the beginning.

Why is this so important? If we uncover potential objections early, we have all our sales ammunition available in Acts 5 and 6, when we are tailoring our presentation of our company and product/service capabilities to deal with the customer's specific concerns. When we hear objections during Act 7 we have already spent most of our sales ammunition.

But What If ...?

Okay, no matter how skillful we become at questioning, sometimes we will fail to ask all the best questions in Act 3, and we therefore face objections in Act 7. What do we do then?

The answer is, of course, to return to Act 3 and clarify the situation. Then move to Act 4 and summarize the objection as a need. Once the customer agrees that we understand the need correctly, proceed to Acts 5 and 6 by presenting a Tie-Back, Feature, Benefit, and Reaction (TFBR) that deals effectively with the objection.

Strategy to Handle an Objection		
Act 3	Ask the Best Questions Completely Understand the Situation Can It Be Quantified? Identify Potential Solutions	
Act 4	Summarize the Objection as a Need	
Act 5	Positive Company Statement	
Act 6	Present a Solution • Tie Back • Feature • Benefit • Reaction	
Act 7	Ask for Commitment	



After receiving a positive response from the reaction question at the end of your TFBR, you are perfectly positioned to gain commitment. Ask for Commitment by saying: "Would you like to go ahead with this?"

Let me say it one more time: Whether you are dealing with stalls or objections, you remain on the path toward a sale and a stronger relationship with the client. You never leave the Action Selling process. <u>No detours!</u>

Why is this Strategy for Handling Stalls and Objections More Effective?

Let's start by summarizing the key points in our discussion of stalls and objections.

- If you don't ask for commitment, you will never hear a stall.
- If you don't ask for commitment after hearing a stall, you'll never hear an objection.
- Stalls should not be challenged. The customer is simply saying: "I'm not quite sold yet; sell me some more."
- Add a Universal Stall Breaker to your sales repertoire.
- The most effective way to handle an objection is to return to Act 3 and work your way back to Act 7.
- The proactive way to handle objections is to anticipate them with your Act 3 questions in the first place.

I started this paper talking about old, ineffective methods for handling objections—the methods that most sales trainers still try to ram down our throats. My guess is that they'll eventually get around to looking at Action Selling's much better approach and make improvements in their training on the topic. That's all good as far as I'm concerned.

But, I doubt they can pull it off without radical changes to their larger sales methodologies. No matter how much they tinker around the edges, their strategies for dealing with stalls and objections will still be encumbered by many flaws, some structural and some due to bad habits that will be very hard to break.

- 1. Their approaches still will require detours since their stalls/objections strategies won't fold organically into their sales methodologies.
- 2. They don't have a resource like the Best Questions Map, so they can't easily guide you to the right questions to ask that will anticipate or deal with an objection.
- 3. They would have to quit telling you to "listen," as if that isn't something all good reps already do throughout their sales calls.
- 4. They'd need to get over the idea that an objection is a "barrier to a sale" and realize that it is a customer's response to an unasked question.
- 5. They would have to stop using the same approach for both stalls and objections. These are two different things.
- 6. They would have to quit referring to objections as buying signals. No, they're not.
- 7. They would have to back off on giving you so may "dos" and "don'ts." People respond better to well-researched processes than to weakly supported tips.
- 8. They'd have to cool it with the psychobabble, for crying out loud. It isn't instructive.
- 9. Rather than merely telling salespeople to do things like "respond," they'd need to give them a method for "how to respond."
- 10.Maybe most difficult of all, they would have to quit blaming every sales challenge on the internet. The internet helps as much as it hurts.

Managing a sales force requires you to eliminate barriers to success. If you're tired of seeing customer objections expose a weak link in your sales process, take a strong look at Action Selling.

ABOUT THE AUTHOR



Duane Sparks is chairman and founder of The Sales Board, a Minneapolis-based strategic sales training company that has trained and certified more than 400,000 salespeople in more than 3,500 groups in the system and skills of Action Selling[™]. Sparks has guided companies through every phase of business development, from start-up, turnaround, survival and rapid growth.

Having written five sales books and personally facilitated more than 300 Action Selling[™] training sessions, he continues to engage in the business and art of the strategic sales process.



Action Selling: How To Sell Like A Professional, Even If You Think You Are One Selling Your Price: How To Escape The Race To The Bargain Basement Questions: The Answer To Sales Masters of Loyalty: How To Turn Your Work Force Into A Loyalty Force Sales Strategy From The Inside Out: How Complex Selling Really Works



Learn to handle stalls and objections. CONTACT:

The Sales Board (800) 232 3485 www.thesalesboard.com or www.actionselling.com