

# PREPARATION OF NEGOTIATION AND ACHIEVEMENT (PERFORMANCE?)

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IN A B TO B CONTEXT  
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"It is not the employer who pays wages - he only  
handles the money", but **customer** at least

Henry Ford, american industrial businessman (1863-1947) , Ford T



# Product

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- Is the product belonging to a range of products or an isolated product ?
- Technical features vs benefits for clients
- I.E : some shoes for climbing are made without knitting...benefits : frictionless on the feet, completely waterproof shoes.
- If customer got product before, how to substitute a product for another one ? (or add another product to the range)
- Have a look to the blogs of users of the product concerned.

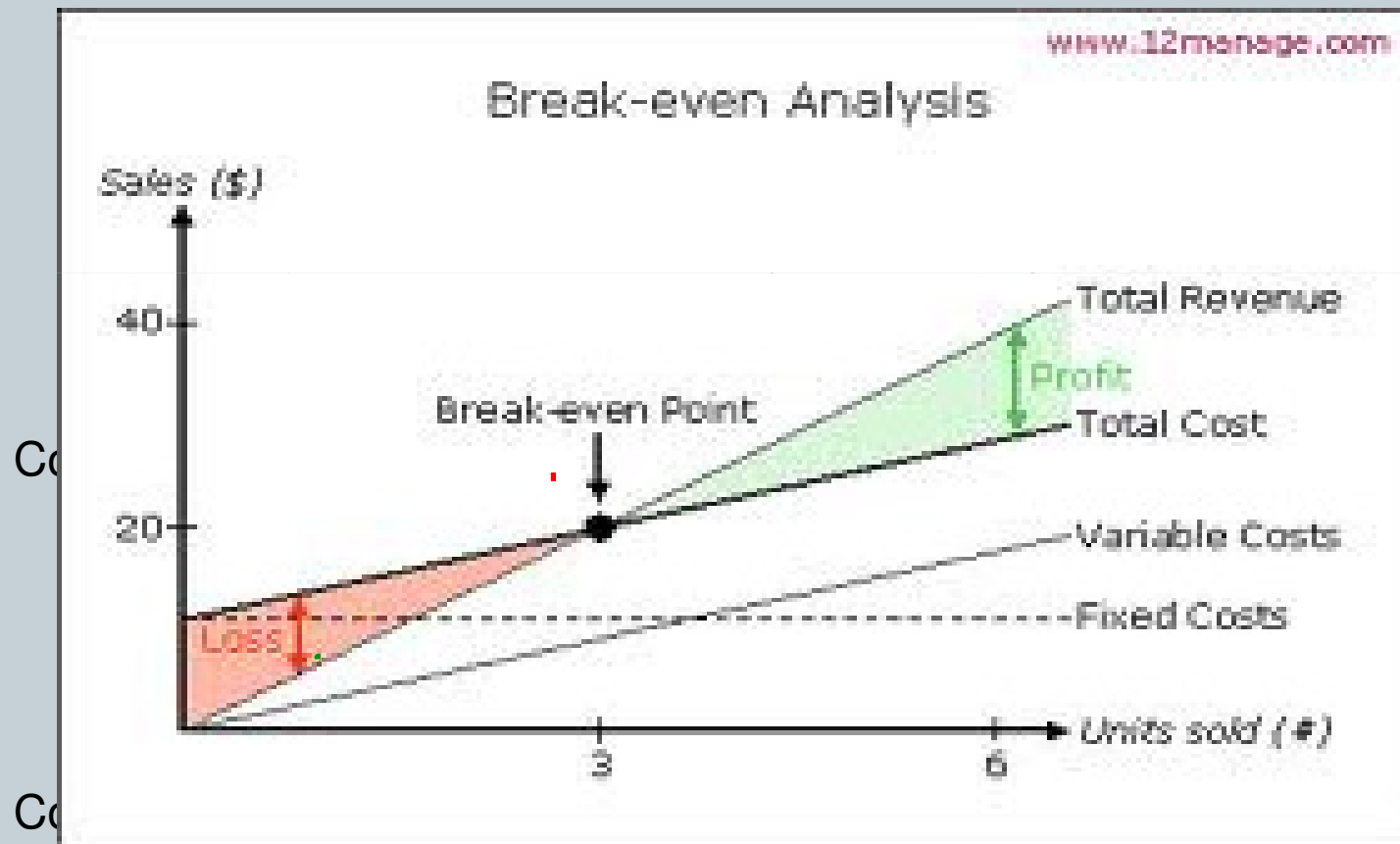
# Facilities to negotiate (tools)

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- Are the prices subject to change in this case of negotiation ? (negotiating portfolio)
- Price for client : without value added taxes (wVAT)
- Recommended and maximum resale price (VAT)
- The amount to be paid, (VAT)
- Cost of the transaction (wVAT)
- Discounts, Rebates, Reduction in prices, kickbacks : which conditions of application ? What is the deal in terms of trading ?
- Reduction per range or per deal ?
- Free product in addition ? About services? (value assessment)

# Reductions policy vs Return on Investment

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# Facilities..

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- Payment terms : cash payment, 30 days net or at the end of the month, 60 days or a mix of the both.
- Delivery of the goods : who pays for the delivery ?
- One product : Delivery paid by customer,
- 10 products : Shared
- 50 products : delivery borned by the vendor
- Rate of deliveries ?

# 1st STEP : PREPARATION

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- Preparation is a factor of success or failure.
- Be highly aware of the situation and the partner's goals.
- Prepare a strategy : which could change (evolve) during the negotiation, (flexible paths)
- Motivate and mobilize the team around the need of client, to offer innovative solutions
- Ensure the profitability of the deal for the company.

# DRIVE A NEGOTIATION PROCESS

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Negotiation is not a scene of fighting between partners  
Challenge in a constructive and fair exchange  
constructive.

**Fairness:** objectives facts, quantitative documented informations, verifiable facts, in order to avoid the changes of mood.

**Constructive dialogue:** is the opposite of overriding partners, but to build a lasting relationship with the other and a profitable deal for a long time for each other. Each of the partners will keep the feeling that he/her won the deal.



# ATTITUDE TO NEGOTIATE

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William Ury et Roger Fisher, 2 main american authors from Harvard University, published « Getting to yes » 1981

Draw the attention on the manage in an objective and fair manner (just),

To focus on the issue of the negotiation and not on emotion or stratagems.

Today, most of customers get informations on the web and the deal for negotiations today are :

1. Get a « win win » issue
2. Becoming more clever at the issue of the exchange.



## Approach



- The development of rapport with the customer
- The chance to make a good first impression
- The salesperson should adapt to the potential customer's social style

# APPROACH in action



- First name LAST NAME
- Company
- (Function)
- Via...the first impression
- <http://www.youtube.com/watch?feature=endscreen&v=W56A2uKi-II&NR>
- Appropriate dress
- Smile
- FIVE MINUTES TO REALIZE THE SALE
- YES



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## Needs Identification

- Requires asking probing questions of the prospective customer to determine needs
- The salesperson should ask open-ended questions
- Make sure that the customer's needs and potential concerns are addressed

# DETECTING NEEDS in action



- **NOT TO BE OMITTED**
- **Open questions**
  - How do you imagine your holidays?
- **Closed questions**
  - Would a seaside hotel suit you?
- **Alternative questions**
  - Would you like a hotel on the seaside or off the coast?
- **Synthesis**
  - If I've understood correctly, you.....
- **YES**



## Presentation

- The focus of the sales presentation is the salesperson's explanation of how the features of the product provide "benefits"
- Presentation may be flexible or memorized
- The salesperson should be prepared to provide documentation for any statements of fact that are made

# PRESENTATION, DEMONSTRATION in action



- **Construction**
  - Characteristics Advantages Benefits
- **In front of the customer**
  - Positive reinforcement of the need (translated into a benefit)
  - Presentation of the advantage
  - Checking of acceptance
- **Proof**
  - Is not essential
  - Ask the customer what interest he/she has in the proof
  - Check the impact of the proof
- **YES**



## Handling Objections

- The salesperson may have failed to provide adequate information, or have not demonstrated how the product meets the needs of the prospect
- Objection as a sign of interest on the part of the prospect
- Provide information that will ensure the prospect's confidence in making the purchase



# HANDLING OBJECTIONS in action



- Don't panic!
- Ask questions (open or closed Qs)
- Find the right argument
- Identify purchasing signals
- YES
- <http://www.youtube.com/watch?v=Qt3Xx6ZrnqI&feature=relmfu>
- Handling objections to close

# CLOSING in action



- Identify the right time
- Reformulate the accepted advantages
- Conclude
- ....
- Then STOP!

<http://www.youtube.com/watch?v=9hv91SewiBs&feature=related>

- Best language to use to close a sale
- Down with salespeople who talk too much!



## Gaining Commitment

- Commitment is gained when the prospect agrees to take the action sought by the salesperson
- The salesperson must ask for commitment



## Follow- Up

- The salesperson complete any agreed upon actions
- The salesperson should stay in touch after the sale by writing thank-you notes, clipping and mailing newspaper articles of interest to the prospect and calling on the customer to ensure the customer's satisfaction

# AFTER THE SALE...

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- Look forward the short-term and then long-term futures of this cooperation
- Are these agreements profitable in a long-term perspective ?
- What are the customer's aims to achieve ?
- Which products or services would be offer in the future ?
- Who are the community leaders ?
- Any recommandations to get contact with the network ?
- Selection of similar customers : selection (CRM)

## To summarize

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- Major importance is to set targets for selling
- Importance to control the granted concessions during the negotiation
- Importance to get a strong supply policy against competitors
- Importance not to lose any loyal customer, and gain new clients.
- Importance to be well organized (professionally organized).

# Thank you for your attention !

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I look forward to answering your questions

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