

UNDERSTANDING OBJECTIONS

Objections are concerns, hesitations, doubts, complaints, or other reasons a customer has for not making a purchase. Objections should be seen as positive. They give feedback and an opportunity to present more information to the customer.

Anticipate and plan potential answers to objections. This will help you feel more confident in your responses to customers. Then select the most appropriate method for handling those objections to promote success.

“**Objections should be welcomed in sales.**”

Objections can be presented as questions or statements. An example of a question would be: “Do you carry any other brands?” A statement would be: “These shoes don’t fit me.” For questions, simply answer the question posed. For statements, you may need more selling expertise.

Excuses are reasons given when a customer has no intention of buying. In retail sales situations, the most common excuse is: “I am just looking.” When you are faced with that statement, be polite and courteous. Encourage customers to look around and ask you any questions they may have.

In organizational sales situations, clients may simply refuse to see the salesperson. In that case, it is best to leave a business card and ask to see the person at a more convenient time.

It can be difficult to distinguish between objections and excuses. A statement or question that seems to be an excuse may be an objection. For example, “I didn’t plan to buy today” may really mean “I don’t like the styles you have available.” When you suspect that may be the case, ask additional questions to get to the real reason for the disinterest in your product or products.



As You Read

Predict What are methods salespeople use to handle objections?

Objections should be welcomed. However, some objections may be excuses instead. **How can a salesperson determine if a customer is giving an objection or an excuse?**

Objections vs. Excuses

PLAN FOR OBJECTIONS

Objections can occur at any time during the sales process and should be answered promptly. A customer who must wait to hear responses to questions or concerns will become preoccupied with the objection. When that happens, you may lose the customer's attention and confidence.

Objections can guide you in the sales process by helping you redefine the customer's needs and determine when the customer wants more information. A customer may say, "This item is very expensive." What the person may really mean is: "Tell me why this product costs so much." This objection not only lets you know why the customer is reluctant to buy, but also gives you an opportunity to bring out additional selling points.

So, you should welcome objections. They are not necessarily the sign of a lost sale. Research shows a positive relationship between customer objections and a successful sales outcome.



Objections The more complex a product, the more objections are individualized to consumer preferences, rather than to the product's advantages.

You can prepare yourself for most objections that might occur in a sales situation by completing an **objection analysis sheet**, a document that lists common objections and possible responses to them. The actual objections may be slightly different from those you anticipated. However, thinking of responses can give you an idea of how to handle other objections.

You can incorporate anticipated objections into your product presentation so they do not become objections. You must be cautious about this, however. You do not want to include so many objections in your product presentation that you introduce doubt, especially if none existed before. Saying "I guess you're worried about the safety of this snowmobile," may introduce a fear that was not a previous concern.

A better way to handle the same situation would be to emphasize the safety features of the vehicle. You might say, "The suspension on this snowmobile is specially designed to keep it stable. It's very safe to operate."

COMMON OBJECTIONS

When you list general customer objections, you will see that they fall into certain categories. Most objections are based on five key decisions the customer must make before buying—decisions about need, product, source, price, and time. This is true for both retail and organizational sales situations. The actual objections will vary because of the difference in purchase motivation. Retail customers generally are making a purchase for personal use. Business-to-business customers are buying for a company's operation. Wholesalers and retailers are buying for resale purposes.

The following are examples of customer objections. They provide a starting point for the creation of an objection analysis sheet.

NEED

Objections related to need usually occur when the customer does not have an immediate need for the item. They may happen when the customer wants the item but does not truly need it. A supermarket owner may say, "I just don't have enough shelf space for another cereal brand." A comment, such as "I like these sandals, but I really don't need another pair," is an objection based on a conflict between a need and a want.

PRODUCT

Objections based on the product are more common. They include concerns about things such as ease of use, quality, color, size, or style. "I don't buy 100-percent cotton shirts because they have to be ironed" is a product objection.

SOURCE

Objections based on source often occur due to negative past experiences with the firm or brand.

A customer might say, "The last time I placed an order with your company, I received it two weeks after the promised date."

PRICE

Objections based on price are more common with high-quality, expensive merchandise. You might hear statements such as "That's more than I wanted to spend."

TIME

Objections based on time reveal a hesitation to buy immediately. These objections are sometimes excuses. Customers usually have a real reason for not wanting to make a purchase on the spot. A customer might say, "I think I'll wait until July to buy those sandals when you have your summer sale."

You will probably hear many different kinds of objections once you begin selling. You should note them for future reference.

FOUR-STEP METHOD FOR HANDLING OBJECTIONS

Successful salespeople have learned to use a very basic strategy when answering all objections or complaints. It consists of four basic steps: listen, acknowledge, restate, and answer.

LISTEN CAREFULLY

Remember to be attentive, maintain eye contact, and let the customer talk. Also watch for nonverbal cues in order to interpret the true meaning of what is being said.

ACKNOWLEDGE THE OBJECTIONS

Acknowledging objections demonstrates that you understand and care about the customer's concerns. Show empathy for the customer's problem. Some common statements used to acknowledge objections include the following: "I can see your point" or "Other customers have asked us the same question."

MARKETING CASE STUDY

IBM's Presentation Centers

IBM® has designed "client centers" around the world to impress customers with technology and consulting services. Customers are brought to the facilities for sales presentations. The entire experience is planned, from when they are picked up at the airport to the actual product presentations. This approach ensures that all clients are treated in a professional manner with customer satisfaction as the focal point. What to say and when to say it is mapped out for the sales staff. The timing of product demonstrations and sales pitches is based on IBM's research.

Hands-On Presentation

At IBM's Industry Solution Lab, future technology is displayed alongside current technology. Clients can also interact with technology for different industries. This hands-on experience makes a day-long sales meeting engaging and more meaningful than just watching PowerPoint® presentations.

English Language Arts

Evaluate Do you think salespeople can handle customer objections effectively in these sales presentations? Discuss with your class.

NCTE 3 Apply strategies to interpret texts.



These acknowledgments make customers feel that their objections are understandable, valid, and worthy of further discussion. This does not mean that you agree with the customers, but it acknowledges the objection. Disagreeing with customers, or saying, "You're wrong," will put customers on the defensive, and you might lose the sale.

RESTATE THE OBJECTIONS

To be sure you understand a customer's objection, restate it in one of the following ways:

"I can understand your concerns. You feel that. . . . Am I correct?"

"In other words, you feel that. . . ."

"Let me see if I understand. You want to know more about. . . ."

Do not repeat the customer's concerns word for word. Instead, **paraphrase** the objections. A customer might say, "The style is nice, but I don't like the color." You could paraphrase the objection by asking, "Would you be interested in the jacket if we could find your size in another color?"

ANSWER THE OBJECTIONS

Answer each objection tactfully. Never answer with an air of superiority or suggest that the person's concern is unimportant.

Think of yourself as a consultant, using the objections to further define or redefine the customer's needs. In some cases, you will have to get to the bottom of the specific objection before answering it completely. For example, before answering the price objection, revisit the features on the more expensive model. Then see if the customer's needs can be met with a less expensive model.

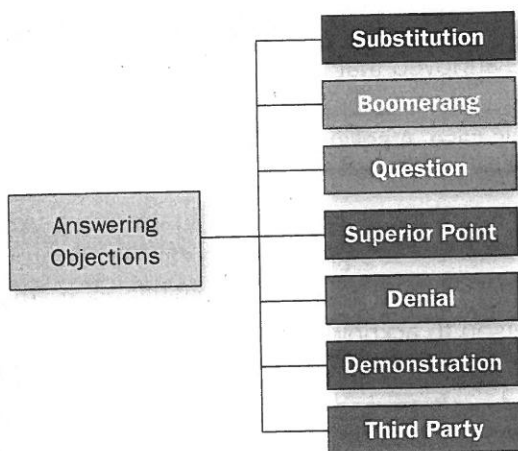
SPECIALIZED METHODS OF ANSWERING OBJECTIONS

There are seven specialized methods for answering objections: substitution, boomerang, question, superior point, denial, demonstration, and third party.



Listening carefully is the best way to understand objections. Being attentive and making eye contact shows that you are listening. *How would you show a customer that you understand his or her objection?*

Listening to Objections



SUBSTITUTION

Sometimes a customer is looking for a specific brand or model of a product that you do not carry. Or maybe the customer does not like the product you show. In any of those cases, you may want to use the **substitution method**, which involves recommending a different product that would still satisfy the customer's needs. Assume a customer says, "I don't like the way this dress looks on me." In this case, you may want to suggest a different style that is more becoming on your customer.

BOOMERANG

An objection can be returned to the customer in the same way that a boomerang returns to the thrower. The **boomerang method** brings the objection back to the customer as a selling point. Here is an example:

Customer: This ski jacket is so lightweight. It can't possibly keep me warm.

Salesperson: The jacket is so light because of an insulation material called Thinsulate. The manufacturer guarantees that Thinsulate will keep you warmer than other fiberfill insulation, without the bulk and extra weight.

When using the boomerang method, you must be careful not to sound as if you are trying to outwit the customer. Use a friendly, helpful tone to explain how the objection is really a selling point.

QUESTION

The question method is a technique in which you question the customer to learn more about his or her objections. To uncover their real objection, you can simply ask, "Why do you feel that way?" Their answer may unearth a lot of information that will reveal the real reason for the objection. A customer may say, "I don't like receiving my e-mails on a mobile phone."

DIGITAL NATION



SEO: Show Me the Content

Search engine optimization (SEO) is the process of fine-tuning a Web site so it ranks high in Web-search results. Correct HTML coding, choice of words and images, and number and quality of unpaid links from reputable sites affect a Web site's ranking.

Layman's Terms

SEO is critical. Many customers find information by querying a search engine such as Google. Then they click a link that ranks high in search results. Marketers study terms people are "googling" to figure out the right words to use on their sites. For example, you run a Web site selling women's apparel. Through research, you discover 100 times more shoppers are googling "women's clothing" than "women's apparel." If you rewrite your product description on your Web page, you will have a better chance that shoppers will see your product.

English Language Arts

Analyze You are the owner of a local restaurant that is struggling to find customers. Your restaurant serves dishes that are made with ingredients that are grown locally and organically. You have found that the few customers that come to your store did not know about your Web site. Create a series of recommended modifications to your site that would rank higher in search engine results.



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WORLD MARKET
MEXICO

The Silver Belt

As a global leader in silver production, Mexico is known for its "Silver Belt." This is an area rich with silver deposits. The country also boasts the city of Taxco. Nestled in the hills near Mexico City, Taxco has been called "The Silver Capital of the World."

Past to Present The Spaniards opened Taxco's first silver mine in the early 16th century. It was not until 1929 that American William Spratling helped put the city on the map. He trained apprentices to design and work silver into jewelry and other wares. Now hundreds of silversmiths showcase creations on

Taxco's streets. Travelers come to buy reasonably priced bracelets, earrings, necklaces, rings, and dinnerware.



Social Studies

Research The number "925" is stamped on quality silver. Research and explain the number's history and meaning as part of a sales presentation for a silver product.

NCSS VIII A Science, Technology, & Society
Identify and describe both current and historical examples of the interaction and interdependence of science, technology, and society in a variety of cultural settings.

Here are some entry-level phrases that are used in conversations about marketing all over the world.

English	Spanish
Hello	: Hola
Goodbye	: Adiós
How are you?	: Cómo es usted?
Thank you	: Gracias
You're welcome	: De nada

When you ask why they feel that way, you may learn that the customer is annoyed that mobile phones beep frequently. Additional questions could be used to re-define the customer's needs in this case. A selling point can be explained regarding the cell phone's ability to mute sounds.

SUPERIOR POINT

The **superior-point method** is a technique that permits the salesperson to acknowledge objections as valid, yet still offset or **compensate** them with other features and benefits. This method is often used when price is an objection. In that case, you must show the value-added aspects of doing business with your company. Some value-added topics that can be used in organizational sales situations include research and development that goes into products, the ongoing support the company will provide, the certainty of on-time delivery, the company's history and reputation, and its market knowledge. Here is an example:

Customer: Your prices are higher than the prices of your competitors.

Salesperson: That's true. Our prices are slightly higher, but with good reason. We use better quality wool in our garments that will last five to ten years longer than the wool in our competitors' garments. Plus, we guarantee the quality for life. You can return the product if you ever have a problem with it, and we'll repair it free of charge.

DENIAL

The denial method is when the customer's objection is based on misinformation. It is best to provide proof and accurate information in answer to objections. This method is also used when the objection is in the form of a question or inquiry. When using the denial method, you must back up your reply with proof and accurate facts. Consider an example:

Customer: Will this shirt shrink?

Salesperson: No, it won't shrink because the fabric is made of 50-percent cotton and 50-percent polyester. The polyester will prevent shrinkage.

DEMONSTRATION

The demonstration exemplifies the adage, "Seeing is believing." Here is an example:

Customer: I can't believe that jacket can fold up into itself to become a zippered pouch.

Salesperson: I'm glad you brought that up. Let me demonstrate how easy it is to stuff this jacket into the pocket pouch and then zip it up.

The demonstration method can be quite convincing and should be used when appropriate. Conduct only demonstrations you have tested, and make sure they work before using them on a customer in a sales situation.

THIRD PARTY

The **third-party method** involves using a previous customer or another neutral person who can give a testimonial about the product.

Customer: I can't see how this machine can save me \$1,000 in operating costs the first year.

Salesperson: Frank Smith, one of my customers, questioned the same point when he bought his machine a year ago. He now praises its efficiency and says that his costs have gone down by \$1,200. Here's a letter I recently received from him.

In any given sales situation, it is unlikely that you will use all seven methods of answering objections. You will create effective combinations over time that will work best for you.



After You Read

Section 14.2

Review Key Concepts

1. **Explain** the difference between excuses and objections.
2. **List** what you can do to prepare for objections.
3. **Describe** the four-step method for handling objections.

Practice Academics

English Language Arts

4. Prepare an objection analysis sheet for a child's bicycle with training wheels and a basket. Include at least five different objections and responses to depict different specialized methods for handling objections. Use a word-processing program to prepare your written document.

Mathematics

5. An outdoor clothing retailer can buy rain-resistant coats that last for eight years at a cost of \$25 per coat. The other option is buying coats that last for two years at a cost of \$10 per coat. If the retailer wants to order 40 coats, which option offers the biggest savings?

Math Concept Problem Solving Solve problems that arise in mathematics and other contexts.

Starting Hints To solve this problem, multiply \$10 by 40, and then \$25 by 40, to determine the total cost of the jackets. Divide each total by the number of years the jackets are good for to determine the cost per year. Compare the two amounts to determine which one is a bigger savings.

NCTE 4 Use written language to communicate effectively.

NCTM Number and Operations
Understand numbers, ways of representing numbers, relationships among numbers, and number systems.

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Check your answers.

For help, go to the **Math Skills Handbook** located at the back of this book.