

Sales Biggest Blunders: Basically, There are Only Two!

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Selling has never been easy – but it sure used to be easier. There is more money today dedicated to small-business and middle-market lending than ever before. There are also more players, different players and different variations on the theme. So if your sales results aren't living up to your expectations, join the club. To make matters worse, even winning a deal these days isn't all that it's cracked up to be. For to close a transaction in this ultra-competitive market, you're surely taking more risk than you'd like. And at a return that is barely acceptable.

The #1 Biggest Blunder: Talking

Yeah, I said it, talking. I know that you must talk to sell. However, it's about when you talk, what you talk about and how much you talk that determines the size of your commission check. We satisfy financial needs. But in order to do that, we must first find out what those needs are, precisely. And we can't do that if we're busy talking all the time.

The most important person in a "competitive" sales situation is the buyer. Therefore, your first responsibility is to get the buyer talking about himself/herself. Asking how the person got into the business in the first place is a great place to start. Then find out what else they did in their past, going as far back as kindergarten if you can. This not only helps you gauge the person's industry experience, but you may also find some similarities between their background and yours, allowing you to connect on a personal level. Connecting with the buyer is the first step in winning a sale. Whether or not a personal connection exists, you two will always share one "natural" connection, the referral source. So never forget to ask how they know/met the referral source. This will give you a chance to mention that the referral source trusts you and your company with their reputation or they wouldn't have referred you into the transaction. This sets the table for the leap into the business conversation.

Again, don't talk other than to ask questions. Find out what the prospect knows about ABL, if anything. This will help you differentiate your capabilities vis-à-vis the prospect's understanding (when it's your turn to talk, of course). Probe deeply into their financial needs. Then, don't be afraid to ask about their "expectations" as well. You'll be surprised how much the would-be borrower knows about the realities in the market. NOW you can respond with how "what you have" can satisfy "what they need". If you were to have talked about your product before going through the above exercise, you're simply throwing stuff up against the wall and hoping some of it sticks. Does that sound like a recipe for success?

In fact, here's a takeaway that is guaranteed to boost your effectiveness. Make yourself a "Prospect Interview Form" that has all the questions you want to ask. When you're about to start asking questions, flip open your notebook and tell the prospect that you would like to take notes. This will make the prospect feel like the conversation is important, and so is he. It will also guide you to thoroughly cover every aspect, so you can be prepared to issue the best Proposal you can "in the eyes of the buyer". You'll find yourself adding quite a few questions to the form the first dozen or so times you use it as you discover afterwards some things you forgot to cover, or need to cover in more detail. After using it for a while, you should take the time to rearrange the questions so that they flow consistently through a topic before moving to the next. This will make for a more organized, comfortable meeting, which will naturally make you look more professional. After a while, you'll wonder why you ever trusted your career to memory.

The #2 Biggest Blunder: Never Saying NO!

The one thing every salesperson has in common is time. There are only 24 hours a day, 7 days a week and 52 weeks a year. The more effective salespeople make the most efficient use of that time, period. Chasing deals that you have no real chance of landing is wasting your valuable time. Of course, most "chasers" are a result of not really knowing their chances because they don't thoroughly understand the situation in the first place (see #1 Blunder). Saying "No" can be one of your most powerful sales tools. If you listened more than you talked and asked all the right questions, you should be able to distinguish if you have a chance in hell of closing the transaction. I know of several salespeople who outright ask "What other institutions have you talked to during your loan search? And what were the results?" Phrased this way, you should not only hear about any banks they may have approached initially, but also any direct competitors they're currently engaged with besides you. There's no better information than this for you to truly understand what you're up against. And don't you deserve to know? You're investing your precious time when you are with a prospect. You are owed an honest assessment of the situation.

I once joined a lender with the primary purpose of bettering their product to increase sales. After six months, it was apparent that the operation was too set in its ways to adapt to any changes, big or small. Yet two years later we doubled sales volume with no decrease in yield. The reason? I had a frank meeting with the sales force. This firm had one of the slowest closing times in our niche. And try as I might, that wasn't going to change. So what had to change was how we, as a sales team, dealt with it. We started asking every prospect when they had to close by, and if it was quicker than our normal turnaround time, we told them we

couldn't meet their deadline. We lost quite a few prospects. But we were back on the street looking for more suitable opportunities rather than a) wasting our time, b) frustrating ourselves, our underwriters and our prospects, and c) burning our referral sources. And we even had a few of the lost prospects return when our competitor couldn't close as fast as promised. Turns out the prospect (and the referral source) preferred to do business with someone who was honest with him in the first place.

Conclusion

It's been said that "Knowledge is Power". Well, no one ever gained knowledge while talking. This knowledge will help you determine if you can compete effectively and how to position yourself. And if you can't deliver what they want, you can get back out in the market without wasting the one commodity you can't control ... time.

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