



# **Establish a Culture of Sales**

## **Handout 6**

### **Different Closing Techniques**

## Different Closing Techniques

### Alternative Choice

The alternative-choice close was popularized in the 1930s as the story spread of the Walgreen Drug Company's purchase of 800 dozen eggs at a special price. A sales trainer named Elmer Wheeler suggested to the Walgreen clerks that when a customer asked for malted milk at a Walgreen fountain, the clerk should say, "Do you want one egg or two?" Customers had not even thought of eggs in their malteds. Now, they were faced with the choice of how many eggs - not whether or not they wanted an egg. Within one week, all 800 dozen of the eggs were sold at a profit.

Two examples of the alternative close are:

- Which do you prefer – one or two neckties to go with your suit?
- Would you prefer the Xerox 6200 or 6400 copier?

As you see, the choice does not give prospects a choice of buying or not buying but asks which one or how many items they want to buy. It says, "You are going to buy, so let's settle the details on what you will purchase." Buying nothing at all is not an option.

Take, for example, the salesperson who says; "Would you prefer the Xerox 6200 or 6400?" This question:

1. Assumes the customer has a desire to buy one of the copiers
2. assumes the customer will buy; and
3. allows the customer a preference.

If the customer prefers the Xerox 6400, you know the prospect is ready to buy, so begin the close. A customer who says, "I'm not sure," is still in the desired stage, so you continue to discuss each product's benefits. However, you see that the customer likes both machines. Should the prospect appear indecisive, you can ask; "Is there something you are unsure of?" This question probes to find out why your prospect is not ready to choose.

If used correctly, the alternative-choice close is an effective closing technique. It provides a choice between items, never between something and nothing. By presenting a choice, you either receive a yes decision or uncover objections, which if successfully met, allow you to come closer to making the sale.



### Assumptive Close

With the assumptive close, the salesperson assumes the prospect will buy. Statements can be made such as, “I’ll call your order in tonight” or “I’ll have this shipped to you tomorrow.” If the prospect does not say anything, assume the suggested order has been accepted.

Many times, the salesperson who has called on a customer for a long time can fill out the order form, hand it to the customer and say, “This is what I am going to send you,” or “This is what I believe you need this month.” Many salespeople have earned customer trust to such an extent that the salesperson orders for them. Here, the assumptive close is especially effective.

### Compliment Close

Everyone likes to receive compliments. The compliment close is especially effective when you talk with a prospect who is a self-styled expert, who has a big ego or who is in a bad mood. Would-be experts and egotistical prospects value their own opinions. By complimenting them, they listen and respond favourably to your presentation. The prospect with low self-esteem or one who finds it difficult to decide also responds favourably to a compliment. Here is an example of a housewares salesperson closing a sale with a grocery retail buyer.

Salesperson: “Obviously, you know a great deal about the grocery business. You have every square foot of your store making a good profit. Ms Stevenson, our products also will provide you with a good profit margin. Our profit will exceed your store’s average profit-per-square-foot. And

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they sell like hotcakes. This added benefit of high turnover will further increase your profits – which you have said is important to you. [He pauses and when there is no response, he continues.] Given the number of customers coming into your store and our expected sales of these products due to normal turnover, along with our marketing plan. I suggest you buy [he states the products and their quantities]. This will provide you with sufficient quantities to meet your customer’s demands for the next two months, plus provide you with the expected profit from your products. [Now he waits for the response or again asks for the order using the choice or assumptive close.]

All buyers appreciate your recognition of their better points. Conscientious merchants take pride in how they do business: customers entering the retail clothing store take pride in their appearance; people considering life insurance take pride in looking after their families. Therefore, compliment prospects relative to something that will benefit them as you attempt to close the sale.

Remember, always give honest compliments. No matter how trusting you may think people are, nearly anyone can detect instantly in a compliment. When a compliment is not in order, summarise the benefits of your product for a specific customer.

### Summary of Benefits Close

During the sales presentation, remember the main features, advantages and benefits of interest for the prospect and use them successfully during the close. Positively summarise these benefits so that the prospect agrees with what you say, then ask for the order.

Here is an example of using the summary-of-benefits close on a prospect. Assume that the prospect indicates during your sales presentation that she likes your profit margin, delivery schedule and credit terms.

Salesperson: “Ms Stevenson, you say you like our profit margin, fast delivery and credit policy. Is that right?” [Summary and trial close.]

Prospect: “Yes, I do.”

Salesperson: “With the number of customers in your store and our expected sales of the product due to normal turnover, along with our marketing plan, I suggest you buy [state the products and their quantities.] This will provide you with sufficient quantities to meet customer demand for the next two months, plus provide you with the profit you expect from your products. I can have the order to you early next week.” [Now wait for her response.]

You can easily adapt the FAB statements and SELL Sequence for your summary close. The vacuum cleaner salesperson might say, “As we have discussed, this vacuum cleaner’s high-speed motor [feature] works twice as fast [advantage] with less effort [advantage], saving 15 to 30 minutes in cleaning time [benefit] and the arches and pains of pushing a heavy machine [the benefit of benefit].

Right? [Trial close. If positive response, say: "Would you want the Deluxe or the Ambassador model?"]

The sporting goods salesperson might say, "As we have said, this ball will give you an extra 10 to 20 yards on your drive [advantage], helping to reduce your score [benefit] because of its new solid core [feature]. That's great – isn't it? [Trial close. If positive response, salesperson:] will a dozen be enough?"

The air-conditioning salesperson could say, "This air conditioner has a high-efficiency rating [feature] that will save you 10% on your energy costs [benefit] because it uses less electricity [advantage]. What do you think of that? [trial close. If positive response, says: "Would you want it delivered this week or do you prefer next week?"]

The summary close is possibly the most popular method to ask for the order. Emmett Reagan, sales trainer consists of these three basic steps of the summary close:

1. Determine the key product benefits that interest the prospect during the presentation,
2. Summarise these benefits and
3. Propose.

The summary-of-benefits technique is useful when you need a simple, straightforward close rather than a close aimed at a specific prospect's personality.

### Continuous Yes Close

The continuous-yes close is like the summary close. However, instead of summarising product benefits, the salesperson develops a series of benefits questions that the prospect must answer.

Salesperson: "Ms Stevenson, you have said you like our quality products, right?"  
Prospect: "Yes, that's right."  
Salesperson: "And you like our fast delivery?"  
Prospect: "Yes, I do."  
Salesperson: "You also like our profit margin and credit terms?"  
Prospect: "That's correct."  
Salesperson: "Ms Stevenson, our quality products, fast delivery, profit margin and good credit terms will provide you with an excellent profit. With a large number of customers you have coming into your store [salesperson completes the close as done in the summary-of-benefits close]."

In this example of the continuous-yes close, the salesperson recognised four product benefits that the prospect liked:

1. The product's quality
2. Fast delivery
3. Profit margin
4. Favourable credit terms

After the presentation, three questions were used to allow the prospect to agree that she was impressed with each of the four product benefits. By stacking these positive questions, the salesperson kept the prospect continually saying, "Yes, I like that benefit."

The prospect has placed her in a positive frame of mind. Her positive stance toward the product makes it likely that she will continue to say "yes" when asked to buy.

Realise, of course, that some prospects may want to be cute and relish the thought of seeing the look of surprise on your face when, after they agree to all of your product benefit statements (yes ... yes ... yes), they respond to your request with an unexpected no. In addition, suspicious prospects may view your continuous-yes close as trickery or as an insult to their intelligence rather than aiding a purchase decision.

In either case, calmly handling the situation reflects a sales professionalism that both surprises the trickster and impresses the suspicious person.

### Minor-Points Close

It is sometimes easier for a prospect to concede several minor points about a product than to make a sweeping decision on whether or not to buy. Bid decisions are often difficult for some buyers. By having the prospect make decisions on a product's minor points, you can subtly lead into the decision to buy.

The minor-points close – is similar to the alternative-choice close. Both methods involve giving the buyer a choice between two options. The alternative-choice close asks the prospect to choose between two products, which represents a high-risk decision to some people that they may prefer not to make.

**Standing-Room-Only** What happens if someone tells you that you cannot have something that you would like to have? You instantly want it! When you face an indecisive prospect or if you want to have the prospect purchase a larger quantity, indicate that if they do not act, they may not be able to buy in the future. Motivate the prospect to act immediately by using the standing-room-only close.

- I am not sure if I have your size. Would you want them if I have them in stock?
- My customers have been buying all we can produce. I'm not sure if I have any left to sell you.

- Well, I know you are thinking of ordering X amount, but we need to order (a larger amount) because we now have it in stock and I don't think we will be able to keep up with demand and fill your summer order.
- The cost of this equipment will increase 10% next week. Can I ship it today or do you want to pay the higher price?

For the right product, person and situation, this is an excellent close. Both retail and industrial salespeople can use this technique to get the prospects so excited that they cannot wait to buy. However, it should be used honestly. Prospects realise that factors such as labour strikes; weather, transportation, inflation and inventory shortages could make it difficult to buy in the future. Do them a favour by encouraging them to buy now using the standing-room-only close.

### Probability Close

When the prospect gives the famous, I want to think it over the objection or some variation, try saying, "Ms Prospect, that would be fine, I understand your desire to think it over, but let me ask you this – when I call you back next week, what is the probability, in percentage terms out of a total of 100, that you and I will be doing business?" Then pause and do not say another word until the prospect speaks.

The prospect's response will be from three possible categories:

- More than 50% but less than 85% for buying. If your prospects respond in this range, ask what the remaining percent is against buying then pause and be silent. When you become skilled in this technique, you will see prospects blink as they focus on their real objections.
- Many times we hear that prospects want to think it over. It is not because they want to delay the decision; it is because they do not fully understand what bothers them. The probability close permits your prospects to focus on their real objections. Once you have a real objection, convert that objection with a persuasive sales argument.
- Above 85% but not 100% for buying. If they are in this range, recognise that there is a minor probability against you. You might want to say, "As it is almost certain that we will do business together, why wait until next week? Let's go ahead now and if you decide in the next couple of days that you want to change your mind, I'll gladly tear up your order. Let's get a running start on this project together."
- When prospects indicate a high percentage of probability, you can use their statements as a lever to push them over the top.
- Less than 50% for buying. This is a signal that there is little if any, chance that you will ever close this particular sale. The only appropriate tactic is returning to square one and starting the reselling process. It is amazing how many professional salespeople in a closing situation

expect the prospect to say 80-20 as a probability in their favour and instead they hear “80-20 against.”

The probability close permits prospects to focus on their objections. It allows the true hidden objections to surface. The more prospects fight you and the less candid they are about the probability of closing, the less likely they will buy anything.

### Negotiation Close

Every sale is a negotiation. Most sales negotiations focus on two major themes; value and price. Customers often demand more value and lower prices. In their quest for more value at a lower cost, prospects often resort to unfair tactics and put heavy pressure on the salesperson. The purpose of a good sales negotiation close is not to haggle over who gets the larger slice of pie but to find ways for everyone to have a fair deal. Both the buyer and seller should win. Here are two examples of a salesperson using a negotiation close:

- If we could find a way in which we would eliminate the need for a backup machine and guarantee availability, would you be happy with this arrangement?
- Why don't we compromise? You know I can't give you a discount, but I could defer billing until the end of the month. That's the best I can do. How does that sound?

When you hit a tennis ball over the net, the kind of spin put on the ball determines the type of return shot received. In negotiation, the attitude that you project determines the attitude you receive. Be positive! Be helpful! Be concerned! Show your interest in helping the prospect.

### Technology Close

Picture this! You have just completed the discussion of your product, marketing plan and business proposition. You summarise your product's main benefits to your customer. Now you bring out your laptop computer, place it on the buyer's desk so she can see the screen or you prepare to project the computer screen onto the wall. Using graphs and bar charts, you show the buyer past purchases and sales trends. Then you call up your recommended purchase suggestion. If appropriate, you can show payment schedules considering different quantity discounts. This technology close is very impressive to buyers.

The exact use of technology in closing a sale depends on the type of product and customer you are selling. Without a doubt, incorporating technology into your presentation will help you close more prospects and customers.