Understanding the money talk can help close sales

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Talking about money is one of our culture's lingering taboos, and it makes the job of the professional salesperson more difficult.

Many people connect their self-value with their salary, income or position and almost everyone feels uncomfortable talking about what they pay for some items or how much they make. Everyone has negative experiences with money at some time and those personal perspectives can carry over to the sales call, making it difficult for both you and the buyer to talk openly about budgets and pricing.

Qualify the ability and willingness of a prospect to invest in your offering with greater ease and comfort by employing these suggestions.

• Everyone has a relationship with money. Assess your personal comfort with it, because personal beliefs about money are usually instinctive and unexamined. You may be susceptible to unconscious and unproductive behaviors you have not realized before.

You may have heard as a child that it's inappropriate to ask about money, but it's a necessary requirement to be successful in selling. Lacking conviction in your pricing, or being uncomfortable digging deeper to uncover budgets are common symptoms related to personal perspectives about money.

After identifying your personal concepts about money, recognize that buyers will feel differently. So don't take your personal beliefs about money to the sales call. You may buy the least expensive product, but others may prefer the status of something pricier. For every seller complaining about his or her offering being too expensive, there is someone else selling it at an even higher price.

If you are comfortable talking about money, your prospects will be more comfortable talking about it, and will follow your lead.

• Practice how you ask about budgets and your prospect's investment capability so your language is smooth and relaxed. If you are uptight when asking, the prospect will know it.

Notice which way you ask that works best in your market. "What's your budget?" is a question similar to "May I help you?" Neither does much to move the process forward and both tend to elicit useless answers. A better option might be, "How much were you hoping to allocate to this project?" or offer two or three ranges of investment solutions and ask which range fits best.

• Timing is important when talking about budgets. Two of the most common mistakes are talking about price too soon or too late. If you give a price before you understand the prospect's need, and the implications around that need, you're not selling on value.

Uncovering all the issues creates value in the buyer's mind and reduces price shopping. Deflect those early questions, with something like, "I am not sure yet. Let me gather more information." If you talk pricing at the end of a presentation or demo, the customer will try to use it as a bargaining chip.

The best time to talk about pricing and the investment required is after you understand their needs and before you create the proposal or do the presentation. Why would you want to present to someone unable or unwilling to pay you? Have you noticed that friends love your ideas until you ask them to invest in them?

• There is a difference between being able to pay and a willingness to pay. Logistically, the buyer may not be able to meet the asking price simply because there is no flexibility in their budget.

A value price objection means the money is available, but there is an unwillingness to pay because they don't believe your offer is worth what you're asking. Reduce those objections by gaining agreement on an investment amount or range before making a presentation. You will diminish the buyer's expectation to negotiate at the end of the presentation. Even seasoned providers who work mostly with bids know that a conversation around pricing expectations is important before anything in writing goes out.

Buyers want to know, "Are we getting the best deal?" This is a price justification question, and it is much different from “Can we afford this?” Let’s pretend you decide to spend $30,000 on a new car and you find the car you want for that price. Now you try to bargain. The issue is not whether you can afford the $30,000. The issue becomes: Am I really getting the best deal? The difference is about the ability to pay and the willingness to pay.

In this very difficult market, it makes sense to explore the prospect’s willingness and ability to make the required investment before investing time and resources. Even then, budgets risk being reallocated or changed, but overall you will save time and energy, and experience fewer disappointments.