



# Exceptional Things about Telephone Sales

## Learning Outcomes

**By the end of this unit the learner will be able to:**

- ✓ Understand how to build trust and respect with customers and colleagues.

## Exceptional Things about Telephone Sales

Working on the phone can be more challenging than in-person sales because you cannot use things like body language or physical proximity to your advantage. However, you can achieve more calls than in-person meetings in a day. If you are blending telemarketing with in-person sales, you need to master the telephone in order to set up your meetings.

Let's look at some other things that make telephone sales unique and exciting.

### Keeping a Positive Outlook

Whether you are directly responsible for sales, or work within a sales support role, you are selling something. Support people may share information and, perhaps, the virtues of your company with a caller. These factors are all related to selling. When you have a relationship that is built on trust, your clients and customers will buy from you, even if you are simply asking permission to mail them information.

Telemarketing, or selling by the phone, has developed a very negative aura. People have added their names and telephone numbers to "do not call" lists to get away from the supertime phone calls of, "You have been selected for..." or, "We have a special offer on..."

Our goal here today is to realize that selling by phone is also a **reality of our marketplace**, and to help you be successful with it. You will spend all your time in your car if you are trying to drop in and meet with prospects, so the phone may be a useful tool to set up a face to face appointment, or it may be your primary means of making those sales.

There are **benefits** to selling by phone. For example, you may be able to speak to someone effectively in ten minutes instead of having to travel to meet them in person. In addition, you can have all of your notes and information spread out on your desk without distracting your customer.

When you are selling by phone, it is also important that you depersonalize the outcome. No one has a 100% closure (successful sale) rate, and you need to allow yourself time and space to learn the industry and develop your skills.

### Rapport Building

A large component of your communication – and sales – success comes with your ability to build important relationships and to connect with people.

For many of us, the sweetest sound on earth is that of someone using our name correctly and positively. In contrast, however, we can sometimes be annoyed when sales people (whom we may not know) use our name too many times in a conversation. Despite some people's negative feelings on this, the ability to

remember names gives you an edge when it comes to interpersonal communication and career development.

### Guidelines for Remembering Names

- Concentrate!
- Repeat the name out loud, right after you hear it. Try to find other opportunities to use it.
- Get some kind of visual reference. (Matt has thick hair like a mat.) These are not things you are ever expected to share with the person, so be as creative as necessary to create a visual memory.
- Group associate. Know where you met the person. Write it on their business card if you get one.
- Write the name down as soon as you can.
- Pay attention. That's most important.

## Building Trust

This is less about telephone sales in particular and more about sales in general. We buy from people that we trust.

### Test Your Knowledge

**How do we get other people to trust us, particularly if they have not had an opportunity to meet us face to face?**

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### Defining Trust and Respect

Think for a moment about what trust and respect mean to you.

- **Trust** is expressed by a willingness to share ideas and feelings.
- **Respect** is demonstrated by a willingness to listen to the ideas and feelings of others.

We must remember that trust and respect are key elements in any good relationship. Without trust and respect, human relations break down. Both trust and respect are reciprocal. That is, you earn respect and trust when you are willing to respect and trust others.

## It's More Than Just a Phase

### Phases of Negotiation

A good understanding of the phases of negotiation is a great asset to a sales professional. Many of your customers likely want to negotiate with you to get the very best deal that they can. Although people often think that negotiating is the same as bargaining, it is not the case.

**Negotiating** is a process, and **bargaining** is one stage of that process. There are three other stages of negotiating, and those are tempered by timing, intuition, and flexibility. The delivery of your sales presentation, an exchange of information for services, adding on additional products (up-selling), cross-selling, and even looking for a raise, can be enriched by understanding how to effectively negotiate.

When the **negotiating formula** works well, the parties are more likely to work together with trust and respect in the agreement. With telephone sales, this process can take place very quickly or it can take place over a series of calls.



*(Adapted from Richard Shell, **Bargaining for Advantage: Negotiation Strategies for Reasonable People**, Penguin, 1999)*

### Preparation

Preparation is extremely important in negotiating. An inexperienced negotiator who is well prepared can successfully make their argument and win their case against a seasoned negotiator. In the preparation phase, negotiators need to review previous examples or other incidents that might have bearing on this situation. In this phase, parties will also decide to negotiate as a way to control their costs. When the cost of not negotiating a resolution is higher than the cost of negotiating one, negotiation can be the most desirable result.

### Exchanging Information

This is not a step that many negotiators consider consciously, except perhaps in legal situations (where it is referred to as disclosure). But it plays a role even in negotiations at home and, certainly, in the workplace. Exchanging information is really an extension of preparation and allows both parties the opportunity to consider all of the available information before a bargaining conversation or meeting takes place.

## **Bargaining**

This is the meat and potatoes part of negotiation. Bargaining is where interested parties go over their agreements and negotiate changes, sometimes one term at a time. This is the stage where hostility and anger can become evident, as the parties work on the fine details of an agreement. It is important that negotiators remain calm, professional, and relaxed during this phase. If negotiators lose their tempers or argue belligerently, the negotiations may fall apart; no progress is made if people are not speaking to one another.

There are times when an agreement in principle can lead to a long and protracted quest for agreement on smaller details. Those smaller details are worked out in bargaining, the phase where actual sacrifices and concessions are made.

Working out the finer details is common in divorce proceedings, for example. The divorcing couple may agree in principle that they will share custody of their children equally. The details, however, of deciding how to share the children during special occasions like birthdays, school holidays, or Christmas can become extremely difficult to work out, much more so than deciding other details, such as who is responsible for which amounts of debt or who gets the photo albums, CDs, or casserole dish.

## **Commitment and Closing**

Once the parties have completed bargaining, made all the adjustments, and agreed upon the least uncomfortable result, the negotiation is ready for commitment and closure. This would be the time, for example, when you write a check as a deposit on a new car. It is also the time when a bargaining committee in a workplace would return to their membership with a new deal to be voted on.

Commitments can be made public (through a press release or some other media) as a way to share the conclusion of a process with the public. By this time, any hostility should be long over with, since the parties have moved to this stage following the conclusion of bargaining. At times, though, resentment can be close beneath the surface, so any positive steps that can continue to support relationship building are important at this time.

One final, important note in the process is to make absolutely sure that you have a commitment to carry out the agreement that has been negotiated.

## **Types of Negotiation**

Negotiation can be categorized in different ways, since the parties can be looking for different things as they approach their negotiation. Let's look at some of the most common types of negotiation.

## **Integrative/Distributive**

**Integrative** negotiations are commonly referred to as win/win; each side is working towards a solution where everyone wins something. They can make tradeoffs, look at multiple issues, and try to expand the pie rather than divide it. Integrative negotiations foster trust and good working relationships.

**Distributive** negotiations are referred to as win/lose negotiations. One party gets what they want, and the other party has to give something up. This can be the case when you negotiate a lease on office space, for example. If you feel like you got a good deal and the property manager had to give something up for you, then you won. If you feel like the property manager has the upper hand and you got ripped off, then you lost. The parties' interests often seem to be opposed (although this may not be the case once you look at things creatively), so this type of negotiation does not lead to lasting or positive relationships.

## **Inductive/Deductive/Mixed**

**Inductive** negotiation means starting on small details and working upward until a settlement is reached. This can be the case where, for example, an employer and labor union are negotiating the details of an employee pension and investment plan. Small details are addressed one at a time.

**Deductive** negotiations start with an agreed-upon strategy. They rely on established principles and a formula to frame the negotiation while the parties work out the details.

**Mixed** negotiations are the most common; they are a blend of inductive and deductive methods.

## **Soft/Hard/Principled**

Soft and hard bargaining involves negotiating a position, rather than interests. To avoid some of the more common problems associated with bargaining over positions, negotiators who take a soft approach treat the participants as friends, seeking agreement despite great cost, and offering concessions as a way to create or preserve a positive relationship with the other side.

A **soft** bargainer behaves transparently, sharing their bottom line, which can leave them vulnerable to a **hard** bargainer who is competitive, hides their bottom line, and offers few concessions, if any. In a negotiation between a soft and hard bargainer, the hard bargainer will almost always come out with a much better deal. In their book *Getting to Yes*, Roger Fisher, Bruce Patton, and William Ury recommend **principled** negotiation instead of hard vs. soft, because principled negotiation relies on interests rather than positions.

## **Alternative Dispute Resolution**

Alternative Dispute Resolution (ADR) is a popular alternative to negotiation. If negotiations stall, the result can often be a move to **arbitration or litigation**. However, arbitration and litigation can be very expensive and time-consuming undertakings. Either of them can also result in a solution that neither of the parties is happy with (lose-lose) and both processes are full of friction.

ADR allows the negotiating parties to use a **formal dispute resolution process**. Using mediators or facilitation, parties work through the process together and try to come up with a winning solution. One factor that makes ADR different is the requirement that the negotiating partners must be satisfied with the outcome. If a stalemate results with proper use of ADR, then the negotiations can move to arbitration or litigation as a last resort.

### **Non-Negotiable Positions and Options**

There are several ways that you can handle non-negotiable positions or options. As a negotiator, you must not go to the table with an intention like, "This is all the money we have, so this position is non-negotiable." If you dig your heels in on such a position, there will not be much point in negotiating at all. Similarly, if you elect to draw the line on a particular issue, you must know what your limits are and the room you actually have to negotiate.

For example, perhaps you approach your boss about a raise. The boss says no because he has no money left in the budget. Instead of giving up your idea of getting a raise (because you know that you have already earned it), consider whether there are other things that would satisfy you, like attending a conference, taking a course, or working fewer hours each week. If you are prepared with your justification for the raise before you approach your boss and you also have a few alternatives based on your knowledge of the need for training, the availability of a conference budget, and so on, your chances of success are much greater.

### **Other Tips**

Just because someone says no to your request does not mean you have asked the only question that is available.

A good negotiator is prepared to use **several possible approaches and formulas**. They often ask questions rather than providing answers. They can assess a situation, including the expertise of the parties involved, and adapt formulas to suit the occasion.

For example, an employer's negotiator who comes to the table insisting that they have a winning formula for this round of negotiations will raise the defenses of the other party instantly, even if the formula would have been ideal.

At the beginning of a negotiation, it is important to establish a formula that will be agreed upon between the parties. It is equally important to recognize when the formula is getting in the way of making progress because it is too rigid and needs to be tailored to the situation.