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Sometimes the customer says, "No."

Not just sometimes. According to a study done by ShopVisible.com, the average conversion rate for brick & mortar stores is around 20% (and another study in Europe found that rate to be only 15%!)

That means 8 out of 10 customers who walked into your store hoping to buy something walked out disappointed. They said, *"No,"* when they were hoping to say, *"Yes!"* 



You might argue that some of those customers

weren't planning to buy today. If you sell luxury items, long-term planning items (*such as wedding gowns*), or simply high-priced items like automobiles, I'll give you that.

The vast majority of customers, however, walked in hoping to say Yes to something. They had a problem to solve and picked you as the store that would have that solution.

As an independent retailer, rarely does anyone walk through your door by accident. They chose to step foot in your store.

But now they've said No. How do you turn it into Yes?

## THE FIVE REASONS THEY SAY NO

There are five typical reasons a customer says No to you. When you learn to identify those different reasons, then you can take the steps necessary to turn that No around.

#### NO, I DON'T WANT IT

You can tell this kind of No when you hear words like, *"It won't work,"* or *"Wrong style,"* or *"Not what I had in mind."* Sometimes the

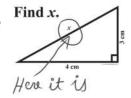
customer is quietly analyzing the item and not even saying a word, but you can tell from her body language this item isn't doing it for her.



When the customer objects in this way, it means you didn't do your job in truly finding out what problem she is trying to solve. You didn't ask enough qualifying questions to get at the heart of her problem. You also may have not shown her the Benefits of the product she is rejecting. (Remember, Features are what it does, Benefits are why that is important.)

Your best bet is to start by asking, "Why?" Why won't this work? What did you have in mind? Ask those questions and listen carefully to her answer. Repeat her answer back to her for clarity.

When you ask the right questions and identify the right problem she is trying to solve, you are far more likely to show her a product that better fits her needs and solves the problem.



### "I am showing you this ... because you said this ..."

#### NO, I CAN'T AFFORD IT

Often you'll know price is the objection if they say things like, "But I only plan to use it once." They may even be more obvious by saying. "Too costly," or "Not in my budget."



When price is the objection, you have several options. One is to show a more affordable solution to her problem. The other is to show her the true value of the item she is buying.

One of the biggest principles we taught

customers about toys is that true cost of a toy was not what you paid

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for it. The true cost was the cost per hour of play. If you spent \$25 for a toy and the kid was bored with it after 30 minutes, that toy actually cost you \$50/hour. But if you bought a \$40 toy that they played with for weeks, the cost per hour would be minimal.

The concept here is Perceived Worth. The customer only views the item as being worth X dollars, when the price is actually Y. By showing the customer the Benefits of using the product, including all the ways it can be used and why it solves her problem best, then you can raise that Perceived Worth in her mind, which often will overcome her price objections.



(Note: for more on Perceived Worth and Pricing, check out the eBook "PRICING FOR PROFIT" at www.PhilsForum.com)

If a customer blatantly balks at the price, then it is okay to ask what is her budget. Prior to that you don't want to pigeonhole her. Show her the **best solution** first. It is easier to work down to a lower price than to work up to a higher price.

#### NO, I CAN'T MAKE THE CALL

I have used this excuse to push away pushy, high-pressure, commissioned sales people. As the guy it works like a charm. But sometimes the excuse is real.

If you hear things like, "Not my decision," or "I can't make the call," or "I need to talk to my spouse," ask this question ...



## "If your spouse said yes, would you buy it?"

Then follow up with this question ...

## "If your spouse said no, what would you do?"

Quite often, if they have decided it is the right purchase, they'll take out their phone and text or call the decision-maker and start the justification process.

This isn't about being pushy. It is simply asking a couple questions that will truly gauge the customer's desire for the product.

One other time this objection comes up is when you didn't curate the selection. If there are too many options, the customer can get locked into Analysis Paralysis.



If that happens, pare back the selection and show them the Best Option to solve their problem.

#### **NO, NOT RIGHT NOW**

You recognize this No from phrases like, *"Let me think about it,"* and *"I'll get back to you."* If you hear something like, *"I don't need it yet,"* it is perfectly acceptable to ask what her timetable is.



You can also remind the customer of the product's timetable. For instance if you sell seeds, there is definitely an optimal time for planting.

Quite often, however, this No is used as a brush off, an excuse to get out

of the store. Usually this is because the customer is still in Analytical mode, still gathering data.

(Note: for a full description of the different modes of shopping, get the Free eBook **"CLOSE THE SALE WITH ASSUMPTIVE SELLING"** at <u>www.PhilsForum.com</u>.)

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You haven't yet gotten the customer to visualize owning and using the product. Often you can get the customer off of this No just by getting her to see herself already owning the item. Ask the question ...



### "How do you see yourself using this product?"

### NO, NOT FROM YOU

This is the worst of the five. It is a customer saying she rejects you and your store. She has the information she needs, but she is going to buy it elsewhere.



One form of this No is a concept called "Showrooming" where a customer comes in to see the product in person and learn all she can about it before buying it cheaper online.

If you think this is the reason for the No, you should download the Free eBook *"Selling IN A SHOWROOMING WORLD"* for tips and techniques

how to deal with showrooming customers.

The other big reason she might be using this No is Trust. She doesn't trust you. You haven't fostered the kind of relationship where she believes she is getting the right deal.

The two fears that stop most people from buying are either the **fear of paying too much** *(hence Showrooming),* or the **fear of getting the wrong item** *(lack of trust).* 



One easy way to overcome the Trust issue is to have an easy, faultless return policy. Give her a 100% guarantee that she can return the item for a full refund if she isn't happy.

This guarantee won't cost you as much as you think. First, if you have truly solved her problem well, she will likely be happy with the

purchase and won't bring it back. Second, if she returns it and it is unsellable, there are other ways you can use it such as a demo or a donation. Third, those stores who have already done this have found the returns are too small to even make a blip on the bottom line.



Don't be afraid of the No. Chris Voss, an FBI negotiator, says,

## "No allows the real issues to be brought forth."

When you can identify the reason behind the No you have a far better chance of turning it into a Yes.

## THE PATHS TO YES

If you have solved the previous reasons for No but still don't have a Yes, here are three techniques to try:

### THE small YES

Robert Cialdini, in his book **Yes!** talks about how people like to be consistent in their actions. He uses an example of political signs.

If you ask someone to put up a large political sign, they will often say No.



But if you first ask them to put up a small political sign, those same people will more often say yes to the smaller sign.

The kicker is that when you go back to those same people with the small sign, they are far more likely now to take a larger sign.

The CODE

AMERICAN

COUNTERINTELLIGENCE

EXPERT'S FIVE RULES TO LEAD AND SUCCEED

ROBIN DREEKE

AND CAMERON STADTH | FOREWORD BY JOE KEVNE

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The implication here is that if you can get a customer to agree to a small purchase now, you are more likely to get the larger purchase later. This is the power of the sample and trial sizes. Often just the act of agreeing to the trial size will get a customer to switch to the regular size even before she checks out.

### WHITE SPACE

Robin Dreeke, author of The Code of Trust, shows how speaking slowly instills trust. Intuitively we get that. We are always leery of fast-talking salesmen. But do you practice it?

Another way to instill trust is to give the conversation white space. By white space, I mean be quiet and let the customer talk. We are uncomfortable by silence in a conversation. If you

give the customer room to speak, she is likely to fill the space either with her objections (which you just learned how to overcome) or by talking herself into the product for you.

Dreeke shows how encouraging the other person to speak always gives you more options in a negotiation.

### **QUID PRO QUO**

A third technique for turning No into Yes is something we call



Reciprocity. If someone does something nice for you, you feel an obligation to do something nice back. It is human nature.

In the push for Yes, that something nice can be an act of generosity. Give your customer something out of the kindness of your heart. Give her something freely without expectation of return. When you do that, the return will happen more often than not.

Barbara Glanz, CSP tells a wonderful story about Johnny the Bagger, a young bagger at a grocery store who started putting little slips of paper in customers' grocery bags with "Johnny's Thought for the Day"

on them.

Those slips of paper cost nothing but came from the heart. They transformed the store completely. Customers



came back more often and brought their friends with them. The rest of the staff became more generous too, delighting customers left and right.

Your customers walk in wanting to say Yes. Yet eight out of ten walk out saying No. All you have to do is convert one of those eight back into a **YES** for 50% growth!

Now you have the tools to do it.

Phil Wrzesinski is the former owner of Toy House and Baby Too, at one time the largest independent, family-owned toy store in America.

Toy House was named "One of the 25 Best Independent Stores in America" in the book **RETAIL SUPERSTARS** by famed retail consultant George Whalin (Penguin 2009).

Phil takes what he has learned in a lifetime of high-level independent retail and helps other indie retailers and small businesses find their success.

You can learn more about Phil and his programs, including links to other FREE RESOURCES at www.PhilsForum.com.

