

## **Entrepreneur's Corner: The Art of Negotiating**

*By Curt Nelson, President & CEO, EDC*

It is often said that to be a great sales person, you also have to be a great negotiator. And with the term negotiation, comes the mental picture of a tough deal maker, one that "plays hard ball," or "drives a hard bargain." But in the high value sales world, where the product or service to be sold is not a commodity, but rather one that will be required to provide a specific level of benefit to the end-user, I would argue that negotiation is far more about the entire value-building process – creating a win / win transaction. If done correctly, the need for either party to drive a hard bargain is significantly reduced or eliminated completely.

The art of negotiation has everything to do with building a level of value that causes the purchase decision to be made without a protracted negotiation process. Identifying needs and matching them with related solutions at a price that justifies the benefit received is the true art of selling. If you find yourself needing to constantly negotiate price, it is likely that you are not establishing a proper benefit / investment relationship or you are talking to the wrong prospects.

If you feel you need to come away from the standard price – here are a few quick tips.

1. Don't make the first offer; let the buyer tell you the price needed. Sales people routinely discount deeper and faster than the buyer was thinking – causing the buyer to rethink the overall value of the product.
2. If you are going to provide volume discounts, make each subsequent volume discount smaller and smaller, showing the buyer that there is a declining benefit to increasing the volume.
3. Make sure you are working with the decision maker so you don't have to negotiate twice.
4. Don't be afraid to simply say no. If you have built the proper level of value and the prospect has the need and ability to pay, they may simply be asking to see what you are going to say, while fully prepared to pay the price proposed.