

Have you ever been assigned a project, such as a term paper, that took weeks to finish? You spent time reading, researching, writing, editing, revising, and writing some more. After all that hard work and time spent, wouldn't it be crazy if you neglected to turn the finished project in to your instructor to receive your grade? Of course it would be!

What if a salesperson takes the time to go through an entire sales presentation with a customer, establishing good rapport and explaining the features and benefits of a product, but fails to ask the customer to buy? It would be a waste of time and effort. Just as your school project is not complete until you submit it, a salesperson's job is not complete until s/he closes the sale. Learn more about the importance of closing sales as well as how you can master the skill of closing.



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Objectives

A Identify techniques used in closing sales.

B Demonstrate how to close a sale.

So Close!

Sales presentations can take a lot of time and effort to prepare and present. So, why do salespeople go to all the trouble? To meet needs for customers and to make sales for their companies! The **close** is the point in a sales presentation at which the salesperson gains the desired agreement from the customer. Of course, the desired agreement is for the customer to make a decision to buy. The sales close may come at any point during the time that you are with a customer. It may occur as early as the approach, at any point during the sales presentation, or in overcoming objections. You have not tried to make a sale if you have not tried to close it.



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▲ Closing sales benefits customers and salespeople. Many customers appreciate help in making their purchase decisions, while closing sales can help salespeople to become known as valuable employees.

Be polite

Attempting to close the sale is a courtesy that salespeople should extend to every customer because:

- Many customers cannot make a decision without assistance, so they appreciate help in reaching that decision.
- It makes customers feel good when you express confidence in their tastes and abilities to buy.
- It helps to build goodwill toward the business when you gain a reputation for being concerned and helpful to all customers.

In addition to helping customers, closing sales will benefit you as a salesperson by:

- Increasing your confidence in your selling ability
- Allowing you to become recognized as a valuable employee in your company
- Possibly allowing you to realize greater financial gain (through **commissions**, **incentives**, etc.)

Closing techniques

Since every customer and selling situation is unique, salespeople must prepare by becoming familiar with many different closing techniques, each depending on the customer's attitude, personality, and the circumstances surrounding the sale. Let's look at several closing techniques that successful salespeople use.

Direct close. This method is the simplest and most natural of closes—you just ask the customer to buy. Customers expect a salesperson to ask them to buy the good or service, and many customers will not buy if they are not asked.

Salesperson: "Those shoes are a perfect fit, Mr. Marks. Would you like to charge them to your Macy's account?"

Choice close. When using this technique, the salesperson offers the customer a choice between two products.

Salesperson: "I believe we've narrowed your favorite ovens to these two models. Which do you prefer for the kitchen in your new restaurant, Ms. Roberts?"

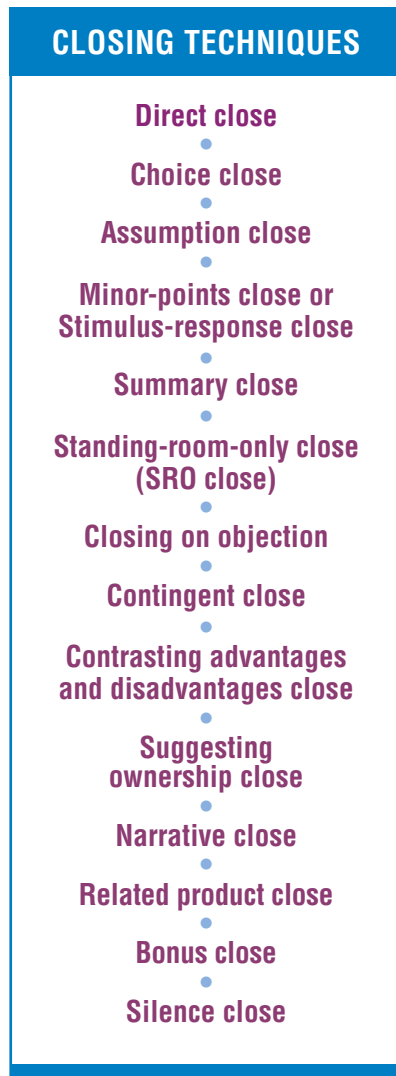
Assumption close. When using this closing method, the salesperson assumes that the customer is going to buy the product. During the presentation, s/he should interject questions such as "You like this style, don't you?" or "Doesn't that work well?" However, the experienced salesperson knows to avoid assuming too much, or the sale may be lost.

Salesperson: "Since tomorrow is a holiday, Mr. Grissett, you'll want to have it delivered this afternoon, won't you?"

Minor-points close or stimulus-response close. With this technique, the salesperson helps the customer make decisions on several minor points throughout the sales presentation. When the customer becomes committed to various minor points, s/he will more readily accept a major choice.

Salesperson: "You've said that you want an LCD flat-panel television?"

Customer: "Yes, that's correct."



Salesperson: "Also, since you have a large living room, you'll need at least a 46-inch screen?"

Customer: "Yes."

Salesperson: "Mrs. Hillis, you've said that you want to watch Blu-Ray videos on this television?"

Customer: "Yes, our family watches a lot of movies."

Salesperson: "Then this Samsung model has everything you want, Mrs. Hillis. It's an LCD flat-panel television, 51-inch screen, and its high-definition capabilities are great for viewing Blu-Ray videos. Also, you can feel comfortable in knowing that our store offers a great protection and service plan for all our televisions."

Customer: "You're right. When can I have it delivered?"

Summary close. When salespeople use the summary close, they review all the features and benefits the customer will receive by making the purchase. Use of this technique requires salespeople to present these features and benefits very thoroughly. After summarizing the features and benefits, salespeople conclude by asking the customer to buy.

Salesperson: "Mr. Wallace, our service department will change your car's oil, replace the oil filter and the plugs, and adjust the valves for only \$48. Would you like to make an appointment for tomorrow?"

Standing-room-only close (SRO close). With an SRO close, salespeople express urgency to buy. This close is very effective when used to point out that the product is a one-of-a-kind item or is in very limited supply, such as an antique, a certain automobile, or a piece of real estate. A salesperson might also urge the customer to buy before a sale or special offer expires.

Salesperson: "This book was printed in the 1890s and is one of only five known copies in the world. Would you like to add it to your bookstore's collection of rare editions?"

Closing on objection. To close on an objection, a salesperson takes an objection the customer has made and turns it into a closing statement.



▲ Successful salespeople know how to turn customer objections into sales.

Customer: "This bicycle feels too light for long-distance riding."

Salesperson: "That's exactly the feature you want in a bike to be used for long-distance riding. You will find that this bicycle is just as durable as a heavy one, your speed will be much faster, and you will not be nearly as tired at the end of the ride."

Contingent close. With a contingent close, the sale depends on the salesperson's ability to prove a point to the customer.

Salesperson: "Ms. Phillips, if I can prove to you that this tent totally repels water, will you buy it?"

Customer: "I certainly will. The tent I currently own leaks when it rains."

Contrasting advantages and disadvantages close. This closing method is based on comparing the advantages of a product to its disadvantages. Salespeople can use visual aids effectively for this purpose. For example, a salesperson may list advantages and disadvantages on paper, drawing a line down the middle of the page and writing the advantages of the product on one side and its disadvantages on the other.

Salesperson: "I know you want the new addition to your resale shop to be as attractive as you can make it. I'm sure I can help you accomplish this with our beautiful carpets. Since you're undecided as to whether you want carpet or wood flooring, let's look closely at each." (Salesperson takes a sheet of paper, draws a line down the middle of the page, and lists advantages on one side and disadvantages on the other side.)

"First, let's look at the advantages of carpeting. It comes in a wide variety of colors and patterns, so that whatever color scheme you decide to use, we'll be able to provide you with carpet to enhance your business."

"Second, carpeting provides an extra layer of insulation to your floors, which serves to reduce heating bills and gives the added value of sound insulation. Carpet is warmer than wood flooring, and it is also much quieter."

"Third, carpeting is easy to care for in comparison to wood. All you need to do is run your vacuum over it a few times a week, and it will remain clean. With wood, you will need to dust-mop it frequently and repair any damage caused by customers dropping keys, drinks, etc."

"Fourth, carpet is less expensive than wood; however, it will not increase the value of your property."

"I think you will agree, though, that carpet will meet your needs more than wood flooring."



▲ By contrasting products' advantages to their disadvantages, salespeople help customers to make sound, educated decisions.

Suggesting ownership close. With this technique, salespeople stress the enjoyment or the benefits the customer will gain from owning the good or service. They use words such as “when” and “will” in the presentation and avoid using words that place doubt on ownership, such as “if” or “would.”

Salesperson: “Mr. Cofield, you will certainly enjoy using this snowboard on the slopes this winter. You won’t have to worry about the rust and corrosion you might encounter with a used model. In addition to being a light, strong snowboard, it also features a great visual design. One of the best features, however, is that this snowboard is *fast*. You’ll be flying down the slopes with precision on this model!”

Narrative close. A narrative close may be used to solve a customer’s buying problem. This method involves telling a story about people who have solved similar problems by purchasing the good or service.

Salesperson: “Do you know Jerry Martin? I believe he lives in your neighborhood.”

Customer: “Yes, he lives right down the street.”

Salesperson: “Well, last year, Mr. Martin had the same ant problem as you do now. After using our extermination services, Mr. Martin has had no more problems with ants or any other nuisance insects. I’m sure he would recommend our services very highly to you.”

Related product close. Many customers make a buying decision based on the assortment of items that goes with or complements the product. To use a related product close, salespeople stress related items or accessories that are sold to accompany the primary purchase.

Salesperson: “You and your family will enjoy this Nintendo Wii, and I think you will equally like the wide assortment of games we offer to go along with it. If you purchase this game system, we will rent our games to you for only \$2 a night.”

Bonus close. The bonus close gets its name from the extra gift or bonus the salesperson offers with the purchase of the product s/he is presenting.

Salesperson: “To show appreciation to our customers during this sale, we are offering a choice of ties with the purchase of any suit.”

Silence close. When a salesperson has presented a product to the customer and fully covered the features and benefits, s/he stops talking to allow the customer time to make a decision.

Salesperson: “That covers all of the features of our service package for taking over your business’s accounting and payroll duties, Mr. Day. Also, you’ve seen the numerous benefits your company will enjoy from letting us fulfill these needs.” (Salesperson then stops talking and waits for Mr. Day to respond.)



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- ▲ With the suggesting ownership close, salespeople help customers to realize the enjoyment and benefits they will gain from owning the product.



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- ▲ Sometimes, the best way to close a sale is to stop talking and give the customer time to make a decision whether or not to buy.

Summary

The close is the point in a sales presentation at which the salesperson gains the desired agreement from the customer. It may come at any point during the time that you are with a customer. Closing sales benefits both customers and salespeople. Common methods of closing sales include: direct close; choice close; assumption close; minor-points close; summary close; standing-room-only close; closing on objection; contingent close; contrasting advantages and disadvantages close; suggesting ownership close; narrative close; related product close; bonus close; and silence close.



1. What is a sales close?
2. Why is closing a sale a courtesy to customers?
3. How does closing sales benefit salespeople?
4. List some common closing techniques that salespeople use.

THE GRAY ZONE

Closing sales is a courtesy to customers because it helps them to fulfill their needs and wants through their own buying decisions. Salespeople should know their products thoroughly, present their features and benefits completely, then confidently ask customers to buy. But, what if a salesperson isn't "sold" on the product her/himself? Let's say you've just landed your first sales job at a mattress store. Your manager wants you to promote the store's brand, but you're really not convinced it's very comfortable or even the best value for the money. Is it ethical to close sales for products you might not believe in? What do you think?

Closing Time

Tips for closing

Regardless of closing technique, product, or customer type, salespeople should observe the following general guidelines when closing sales.

Be alert. Keep in mind that the close really begins when the salesperson starts the sales presentation. From the first contact with the customer, the salesperson is trying to close. This is what people are referring to when they talk about the "ABCs" of selling—*always be closing*. The best time to close the sale may come at any time during the presentation, so you must always be alert for these opportunities. Remember that you are approaching customers who are at different points in their decision-making process. The best time to try for a close is when the individual customer seems receptive to making a favorable buying decision. Sometimes a customer has made a buying decision before talking with a salesperson. Other customers may require several visits before they decide. Regardless, you must be ready to close whenever the customer is ready to buy.



Maintain a positive attitude. Customers expect salespeople to guide them in making buying decisions. Expect to succeed with every customer. Show interest in your job and take pride in doing it well. As a salesperson, you can show an interest in your customers by letting them know you wish to help them fulfill their needs and wants and to solve their problems.

Display self-confidence. A salesperson's display of confidence reassures customers about their product choices and about the company the salesperson represents. When you recognize the opportunity to close a sale, use an appropriate closing technique without hesitation or fear of failure.

Avoid negative closes. Some salespeople fail to close the sale simply because they present the good or service in a negative manner. One of the most negative approaches to take in closing sales is to appear disinterested or bored with customers. This gives the impression that you really don't care whether they buy or not. Using negative phrases such as, "if you happen to buy this," and "I hope you will like this" shows a lack of confidence in the customer and in the good or service you are selling.

Sometimes, salespeople rush customers through the presentation and try to close too soon. Selling is a lot like playing baseball. You must touch every base when presenting features and benefits. If you skip a base, it may just be the feature or benefit that would have most appealed to the customer. In this case, you might need to go back to information you already presented. Take the time to explain your products fully.

Don't oversell. Some sales are lost because the salesperson appears too eager or too pushy. Many times, customers have already made up their minds as to what they want to buy, but the salesperson interferes with the buying decision by coming on too strong or by trying to sell something that will not meet their needs or wants.

Tips for closing...

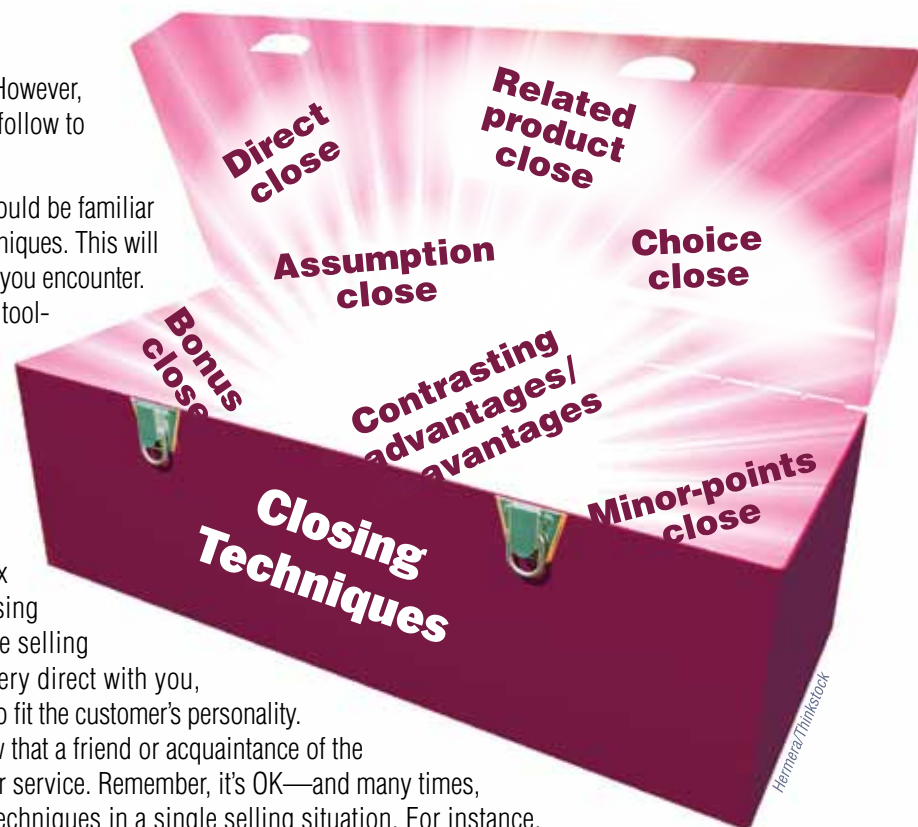
- ✓ Be alert.
- ✓ Maintain a positive attitude.
- ✓ Display self-confidence.
- ✓ Avoid negative closes.
- ✓ Don't oversell.

Steps for closing sales

As you've learned, every selling situation is different. However, there are a few basic steps that every salesperson can follow to close a sale.

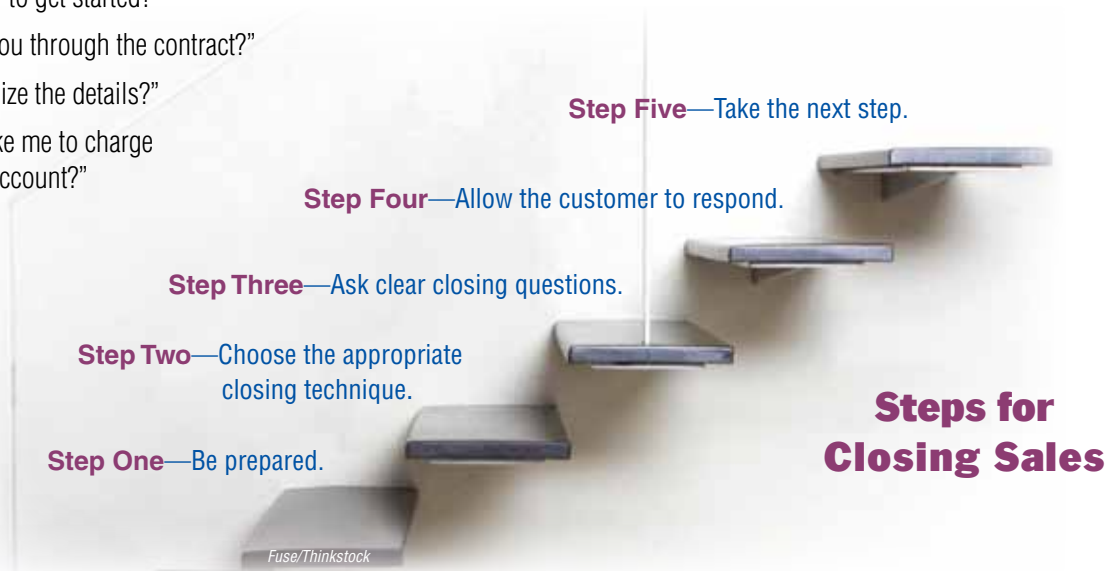
Step One—Be prepared. Every salesperson should be familiar with and confident in using all the different closing techniques. This will allow you to give your best effort toward each customer you encounter. Think of the closing techniques as tools in a carpenter's toolbox. Each job requires a different tool, and his/her work would not be as effective if s/he used the wrong one. In addition to learning the techniques, it may be helpful to practice each one out loud. You might ask a friend or family member to be your "customer" as you rehearse.

Step Two—Choose the appropriate closing technique. Now is the time to reach into your toolbox and choose the right instrument for the job. The closing technique you use must fit both the customer and the selling situation. For example, when a customer has been very direct with you, you might choose to use a direct close, since it seems to fit the customer's personality. A narrative close would be a great idea when you know that a friend or acquaintance of the customer has had a great experience with your good or service. Remember, it's OK—and many times, quite successful—to combine one or more closing techniques in a single selling situation. For instance, you could easily combine a summary close with an SRO (standing-room-only) close when you want to review a product's features and benefits and then remind the customer that the product is only on sale for one more day.



Step Three—Ask clear closing questions. No matter what closing technique you are using, it's important to ask questions that clearly signal to the customer that you are ready when s/he is! Examples of closing questions include:

- “Are you ready to get started?”
- “Shall I walk you through the contract?”
- “Ready to finalize the details?”
- “Would you like me to charge this to your account?”



Step Four—Allow the customer to respond. This step is simple. No matter what you do as a salesperson, it's still up to the customer to make the buying decision. Keep this in mind while closing, and don't be too pushy. Customers will feel respected when you allow them a bit of “space” to make their final decision.

Step Five—Take the next step. If the customer chooses to buy, accommodate her/his needs immediately. This may mean checking out merchandise at the register, drawing up plans or contracts, or getting a particular service underway as soon as possible. Remember—just because you've made the sale doesn't mean your job is done! It's important to follow through with customers and to make sure that they are completely satisfied with their buying experiences.

If the customer chooses not to buy, don't write it off as a loss! Look at the response as an opportunity to make a future sale. Find out why the customer has said “no,” and determine if there is still a way you can help to fulfill his/her needs. If nothing else, reassure the customer that you will still be available to assist in any way you can. Don't consider it a rejection. Instead, consider it a learning experience that can help you become a better sales person in the weeks, months, and years ahead.

Summary

General guidelines for closing sales include being alert, maintaining a positive attitude, displaying self-confidence, avoiding negative closes, and avoiding overselling. The basic steps for closing a sale are: be prepared; choose the appropriate closing technique; ask clear closing questions; allow the customer to respond; and take the next step.



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