



Effective Sales Closure



Execution Plan

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Effective Sales Closure

1. Introduction

“The close” in the sales process is the stage where the conversation moves to a sale (or the desired outcome).

1.1. Closing Starts at the Beginning

A general understanding is that the close takes place at the end of the selling process because that’s the point at which the prospect agrees to purchase your offering. However, closing the sale, actually starts at the beginning of the selling process.

You must prepare well and work hard right from the beginning to succeed in selling and delivering value to both, the customers and to your company. While, some sales may come easy and almost fall into your lap, most sales don’t happen that way. In fact, in many businesses, closing the sale could take weeks, months, or even years.

Although it is called the “close,” which means the end, closing the sale begins with the first step in the selling process—**qualifying**. BD/sales professionals often end up filling their sales funnel/pipeline with a large number of leads, without spending the time on or asking the right questions for qualifying the leads. This approach gives them numbers, but the probability of getting yeses is greater when they **pitch to the right prospects**.

Closing starts at the first point in the selling process, and is definitely not the end. It is, in fact, the beginning of the relationship with the customer.

The close sounds like a single step in the sales process but it is an ongoing series of events that occur throughout the selling process. **Qualifying** is the key for effective closure - closing a sale with the wrong prospect is practically impossible. Apart from correctly qualifying leads, pre-approach, approach, presentation, and handling objections are also crucial to closing the sale.

Everything that has already taken place through the selling process – information sharing, rapport building, trust, etc. – forms the foundation for closing the sale.

Remember, that the close is not a high-pressure exchange between seller and buyer. It is not a point when the salesperson resorts to trickery, manipulation, or other adversarial tactics just to get a sale.

1.2. Prerequisites to Closing the Sale

As you look to close a sale, following are the key pre-requisites that must be met:

- **Need**
The prospective client must have a requirement for your offering/solution. They may have the need and realize it, and sometimes they may not yet realize they need it. Consider both these possibilities, and work towards creating and/or reaffirming the need.
- **Solution**
Ensure that you have a solution to the prospect's problem. It can be a problem that they've identified or one that you have identified for them.
- **Value to Justify Cost**
Your client needs to see value in what you are selling - demonstrate the value of your product or service. Once they see the value, the value will justify the cost of your offering.

- **Urgency**

You don't want your client to find reasons not to buy, or to go to a competitor. The prospect is likely to prolong the sales process if he doesn't feel the urgency to buy. Hence, you must aim to create urgency in your client.

- **Authority to Buy**

Make sure you are not wasting your time and sales efforts with someone who doesn't have the actual authority to buy your product/service. Selling to the wrong person must be avoided. Ensure that you are engaging with the decision maker before you go into your pitch.

To summarize, focus on creating the need through the solution and value. Then proceed to close the deal through the urgency and authority to buy.



2. When to Close the Sale – Buying Signals?

In order to determine when to ask for the sale, you must actively look for signals that indicate that the customer is ready to make a purchase. The customer will communicate when they are ready to buy through the clues they give you. These **clues are called buying signals**.

When a potential customer indicates that he or she is ready to purchase, stop selling!

A seasoned BD/sales professional will not keep talking once they pick up on certain buying signals. If you do, you may unintentionally undo the sale by bringing up topics that confuse rather than comfort the decision maker. You may end up missing the moment when the prospect was ready to become a customer.

Prospects will give you **verbal and/or non-verbal clues** such as participating in your presentation, focusing on a specific range of products/service, leaning forwards to listen to you, holding your product, open hands, and other body languages indicate interest.

2.1. Examples of Nonverbal Cues

Notice the subtle unspoken signals indicating prospect is ready for you to move from the sales pitch to talking specifics about purchasing. Examples include:

- Greater eye contact
- Relaxed demeanor
- Uncrossing arms or legs, leaning forward.
- Nodding, agreeing, and showing enthusiasm.
- Reaching out for pen, billfold, making calculations, examining the contract, etc.

2.2. Examples of Verbal Cues

Sometimes, your prospect may almost tell you that they're ready to buy. If he is doing one of the following, know that it's time to ditch the sales pitch and move further towards closure: asks multiple questions about product specifics, requests to see features demonstrated, multiple times; enquires about customization options, asks questions about delivery option/schedule, ask questions about payment options plans or options.

Below are the most common nine verbal cues that translate to buying signals:

- **Questions about a specific product, product model, or type of service**
These could include: "Can I get this in another size/color?" or "Can I bundle these two packages to if my requirement is like this... ?". Such questions indicate the prospect wants to find out how your company can address his greatest need.
- **Questions about the warranty**
Questions about the warranty show that the customer is trying to ascertain the reliability of your product/service and is probably close to becoming a buyer.
- **Questions about the start of service/delivery date**
Such questions may imply that the prospect is almost convinced that your company is the best choice and is eager to finish the sale. A good answer here would be "when do you need it?"
- **Queries about the contract**
If a customer starts asking about the terms and conditions of the contract, or enquires if he can make some changes to the contracts, he is likely ready to buy.

- **Questions about the price**

A customer is likely to bring up the topic of pricing willingly if he has developed an interest in purchasing.

- **Questions about the mode of payment**

Questions about payment terms or mode of payment indicate the customers are already thinking of buying your offer. Remember, if the customer brings up the topic of money into the conversation, it's a fair assumption that they are interested in purchasing.

- **Questions about your company**

Questions about how long your company has been in service or if you are doing business with other clients in the industry show that the customer wants to check the reliability of your company.

- **Requests to repeat**

If the customer asks you to repeat some parts of your conversation, he is possibly looking to reaffirm something you said earlier that he was particularly interested in. He probably wants to assure himself that he is making the right decision by buying from you. Such questions could include: "can we look at the warranty details again?", "can we look at the payment structure again?"

- **Direct question on next steps**

If your customer asks you "what do we do next?", in all probability it means that you have already closed the sale.

The most obvious buying signal is **when the customer says yes**. In such cases, it is important to **move the sale forward quickly**. You don't need to continue convincing the customer. If the customer gives you this signal, discuss the next steps and move on. Have other requisites in place – have signing papers ready, have credit applications ready; if they need to select a start date, have the dates ready. You must be prepared for the customer to say yes.

You must listen and observe to recognize buying signals and respond appropriately.

To increase familiarity and improve your awareness of buying signals, run a signal review after each sales call. Ask yourself, "What signals were present?" This review will help sharpen your listening skills and you will become more aware of possible buying signals.



3. Closing Sales – Key Techniques

A well designed solution serves no purpose if you are unable to close. It is essential to work on your closing skills to succeed as a sales/BD professional. You can benefit from learning some proven closing techniques. Learning these techniques requires time, patience, and a lot of practice, but can prove extremely useful.

3.1. The Columbo Close

This technique is inspired by the TV character Columbo - a police detective. The **Columbo close** was the line he frequently used after the suspects assumed Columbo was done speaking to them. He would turn and start to walk away, and just when the suspect began to breathe a sigh of relief, Columbo would turn and say, "Just one more thing."

After you wrap up your sales pitch and you know the customer is about to walk away, use the Columbo line to restate the most enticing part of your pitch.

3.2. The Porcupine

Just like you need to be careful when stroking a porcupine, be careful when answering customer questions. If a prospect asks a question such as "Do you guys serve the Middle East market?" respond by throwing back the question: "Would you like us to serve your customers in the Middle East?" Try to gauge the depth of the prospect's interest based on their answer and adjust your response and presentation accordingly.

3.3. **Impending Event**

For times when you need the customer to make a quick decisions due to upcoming deadlines or other reasons, the impending event closing is likely to work. However, ensure that the deadline is not just in your interest, but also the customer's, else it will be seen as self-serving and won't work. E.g. "I have an installation and demonstration team in town next week. Can we schedule a day with you?"

3.4. **The Puppy Dog Close**

This technique is something like offering to let a dog lover take a puppy home to "try it out", and, nine out of ten times the customer will buy the puppy. For sales professionals who have the option of allowing their prospects to "test" or "try" their product or service, the puppy dog close has a very high closure rate.

This technique is a low-pressure and highly effective method to get a customer to sign on the bottom line.

3.5. **The Assumptive Close**

When using this technique, the BD/Sales professional assumes that the customer is going to make a purchase. This assumption helps put them in a better state of mind. Being extremely confident is the key to this technique. If you ensure that each step of the sales process is covered and provide enough value to the customer, assuming a sale will close is a powerful and highly effective closing technique. Make sure you take repeated "temperature checks" of the prospect to make sure that he is following along with your assumption-of-sale. Have confidence in your product and yourself.

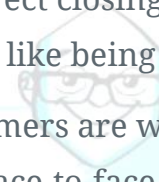
3.6. The Backwards Close

Typically, BD/sales professionals follow a predetermined number of steps in the sales cycle, with "prospecting and qualifying" being step one. However, the backwards close is when you start with the final step, asking your prospects for referrals?

By doing this, the customer is put at ease as they realize that you are not trying to sell them something. You can then go on to explain your offering, its benefits and value - and then close the deal.

3.7. The Hard Close/ Direct Close

Direct closing or hard closing requires a lot of courage and confidence – it is good to use when you have nothing to lose. When you are confident that the answer will be affirmative, use direct closing. However, keep in mind that while most people like to buy, few like being sold to.

So, in case of the hard close, customers are well aware that you are selling them something. This is a direct, face-to-face, show no fear, get-the-deal-signed type of selling. Be careful not to use it too early in the sales cycle, and the hard close can prove very effective. When you feel you've addressed the customer's concerns and are positive that she knows the value of your offering, you can directly pose the question "So, Julia, are you ready to see and discuss the final contract? ".


3.8. The Take Away Close

This closing technique involves reviewing certain terms, features or benefits a customer wants and then recommending that they forgo some of these - probably to offer cost savings.

This has a psychological impact on customers not wanting to lose anything from their wish list, thus, moving forward to make the purchase.

3.9. The Now or Never Close

This technique aims to push a customer to make a purchase right away. You can try offering them some special benefits, such as:

- "The FTE rates are going to be revised next week onwards, so is a good week to sign the deal."
- "If you sign up by the end of the day today, I can give you 10 percent off."

This approach works as people are often afraid to commit - even if they want the product/service. This helps you cut through the inertia. You must, however, clearly communicate the value your offering will provide so that he doesn't think you are providing special benefits as your product/service lacks something.

3.10. The Summary Close

Learn to summarize the value and benefits of the product/service you are offering. Customers may not always remember all details and might be confused in case you have multiple offerings.

Help the prospect visualize what they're purchasing, summing it up in a concise manner - they will better understand they're actually getting what they want.

4. Trial Closing

Trial closing is an effective technique to improve your sales closing performance. It helps you achieve the following:

- Helps you ascertain where you are in the sales process
- Helps you know when to ask for the sale

A Trial Close is not a regular 'closing technique', rather, a test to find out if the prospect is ready to close. Follow your sales presentation with a trial. You could also use it after you have made a strong selling point and have answered objections.

The Trial Close could be a tentative question or could use other closing techniques. Ask 'If...' questions and other questions that assume they have already made the purchase. After asking the Trial Close question, be quiet, watching and listening carefully for the prospect's response.

4.1. How Trial Closing Works

When you use the trial close, you are actually simply putting the idea of closure into the prospect's mind. You then assess whether they are ready or not, based on their response.

4.1.1 Trial Closing is not the same as Asking for the Sale

Don't confuse trial closing with asking for the sale directly. The following example explains the difference between asking for the sale and trial closing:

Asking for the Sale: "If I can arrange for the delivery schedule and initial timelines you are looking for, will you decide to close?" This is clearly directed at asking for the final buying decision.

Trial Closing: "How do you feel about the delivery schedule?" Here, you are not asking for the sale, but rather asking how the prospect feels about one element of the sale.

Often, BD/Sales professionals don't really know where they are in the sales process. Thus, closure is often hampered by too many concerns or unanswered questions from the buyer and the answer is "no" – resulting in lost opportunity.

Trial close will help you understand where you are in the sales process so that you know what is important to the prospect and can steer the conversation accordingly.

Once you understand how the prospect feels and how far ahead you are in the sales process, you can address any concerns and determine when it is appropriate to ask for the sale.

4.1.2 Common Trial Closing Questions

The following are some common, easy to ask trial close questions to help you get the right information from your prospect:

- How do you feel about our discussion so far?
- What are your thoughts about the solution I've shared with you?
- How does what we've talked about sound to you?
- Based on what you've heard so far, what are your questions?
- If you had your way, what changes would you make to the proposal?

All these questions are open-ended to help get the prospect talking so you can learn about where you are in the sales process and when is the right time to ask for the sale.

4.1.3 How Buyers Respond to Trial Closing

Your trial close questions are likely to get one of three types of responses:

- **Cold:** Follow up this kind of a response with a question that immediately captures your prospect's attention because it is clear you have not broken through yet.
- **I feel it:** This indicates you are on the right track with the prospect – making progress. View this as the time to strengthen your story before asking for the sale.
- **Ready-to-go:** This kind of response indicates your prospect is ready and it is time to ask for the sale.

4.2. Summarising the Trial Close

Trial closing questions are open-ended, opinion-asking questions. The response you get from your trial closing questions will help you decide your next steps and to know when to ask for a sale. Trial closing is an effective tool to improve your closing ratio.

5. Warning Signs for Sales Closure

As a skillful BD/Sales professional, keep an eye for warning signs that indicate the sale is unlikely to close. If you see these warning signs, don't fool yourself into thinking they'll close. If you let such prospects be in your pipeline, the picture is not true and you are at loss.

- **Not sure when they'll change**

If their responses are evasive and they are uncertain when they'll change, they're not a prospect right now.

- **Shift in Priorities**

If they tell you that other, more urgent priorities have come up, they are unlikely to buy in the near future.

- **Boss Isn't Sold**

If they tell you that their boss or decision maker isn't yet convinced, the chances of getting a contract signed anytime soon are bleak.

- **Unresponsive**

If they don't respond to your calls or emails, it is best to take them off your prospect list.

- **Interested but expecting delays**

It's ok to keep on touch with prospects who say they are still very interested but projecting significant delays - but don't rely on them.

It is helpful to take out some time to review your pipeline and not be afraid to eliminate. **Learning to let go is a valuable skill** - it keeps you realistic about the opportunities/ lack of opportunities. You are more agile and can dedicate more mental energy to pursue new prospects, with better chance of winning.

6. Key Takeaways

- **Closing starts at the beginning** – Closing the sale begins with the first step in the selling process—**qualifying**. Closing a sale with the wrong prospect is practically impossible. Everything that has already taken place through the selling process – **information sharing, rapport, trust, etc.** – forms the foundation for closing the sale.
- **Prerequisites to Closing the Sale:** The following must be present to successfully close: need, solution, value to justify cost, urgency, and authority to buy.
- **When to Close the Sale? Look for verbal and non-verbal buying signals**
 - **Non-verbal:** Greater eye contact; relaxed demeanor; uncrossing arms or legs, leaning forward; nodding, agreeing, and showing enthusiasm; reaching out for pen, billfold, making calculations, examining the contract, etc.
 - **Verbal:** Questions about specific product, product model, or type of service, warranty, start of service/delivery date, contract, price, mode of payment, next steps, etc.

The most obvious buying signal is when the customer says yes - move the sale forward quickly.
- It is essential to work on your closing skills to succeed as a sales/BD professional. You can benefit from learning and using some of the proven **closing techniques**, including:
 - The Columbo Close
 - The Porcupine
 - Impending Event
 - The Puppy Dog Close
 - The Assumptive Close
 - The Backwards Close
 - The Hard Close/Direct Close
 - The Take Away Close
 - The Now or Never Close
 - The Summary Close

- **Trial Closing** is an effective technique you can use to determine where you are in the sales process, and to identify when to actually ask for the sale. It works by asking **open-ended opinion-seeking questions** to the client, starting with How and If. E.g. how do you feel about our discussion so far? What are your thoughts about the solution I've shared with you?
- As a skillful BD/Sales professional, **keep an eye for warning signs** that indicate the sale is unlikely to close. It is helpful to take out some time to **review your pipeline** and not be afraid to **eliminate** – this will free up time and mental space to pursue new prospects that you have a better chance of winning.





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