

# Selling in Tough Times and Tight Markets

WALT SLAUGHTER

As the economy grows more uncertain, you must choose: (1) ramp up your selling efforts and take market share; or (2) hunker down and ride it out.

The smart money is on those who ramp up. You will all but have the market to yourself.

Consider that in an economic downturn:

- Buyers don't stop buying. They buy less or less frequently;
- Most of your competitors will circle their wagons (i.e. they will hunker down);
- There are opportunities for sellers who ramp up.

It helps to understand that amid an economic contraction:

## Smaller firms fare better on average than larger companies.

Smaller firms are bolder in their behaviors and quicker to act than their larger competitors in a slowing economy. Do not overlook the small guys. Their buying potentials and frequencies can impress.

## Larger accounts likely will take more time to decide.

Expect buying cycles in large companies to increase by as much as 40%. Be patient with them; they figure they have less margin for error. Being prepared with a *good, better, best* product or service solution can help speed decisions, but present more than three options to a buyer and you risk inviting more delay.

## Buyers focus upon needs, not wants.

If a buyer does not view your product or service as necessary to his doing business, he will be a tough sell no matter how much he may want what you offer. Now more than ever, it is important to help the buyer see your offering as an investment, not an expense.

So how do you thrive, not just survive in today's economy?

Focus upon your best selling opportunities.

It is quality of leads that counts now. Resist chasing low-probability prospects. Research says you have a one in 14 chance of selling something to a new prospect. The odds of your selling more to a current customer are one in two, and your second best odds of booking business – one in four – are to former customers!

Take the time to qualify prospects.

Seventy percent or more of all sales calls are wasted, because sellers are talking to *unqualified* buyers . They are buyers who lack authority, need, urgency or ability to pay. In tough times, no sale is complete until the check has cleared the bank.

Emphasize “can’t miss” product, process and service solutions.

Buyers grow more risk-averse in slower times and tight markets. They want to purchase a “sure thing”. Help buyers see you, your firm and your offering as the no-risk options. Buyers make decisions that they see as safe.

Leave the sales pitch at home.

In successful sales calls more questions are asked than in less successful and unsuccessful calls. Questioning is at the heart of consultative selling, and buyers today want to feel that suppliers understand them. In tough times, listen people into buying; don't talk your way out of the sale.

Stay true to your pricing.

It is a lie that in tough times decision-makers buy on price. What they buy is best overall value. In fact, buyers in the last U.S. recession paid 12% more for products than they paid for the same products in robust economic times! Economic contractions are short-lived (averaging about 11 months), and tough times always are followed by a period of economic expansion lasting on average three to five years. Do not set a precedent as a discounter. Cut your price; cut your throat!

### Be flexible.

Buyers today place a high value on suppliers being flexible with them: offering lease vs. purchase options; adapting delivery schedules; extending payment terms and the like. Buyers don't so much want a cheaper price as they do lower operating costs. Cost containment and cash flow top buyers' list of concerns.

### Amp up your prospecting.

Expect most salespeople to slash by 30% or more their calls on customers and prospects. It is a mistake, driven by attitude and outlook. Boost your calls by 35%, and you will be in front of buyers at nearly twice the rate of your competitors.

### Communicate more often.

Three out of four firms curtail their marketing in tough times. Increase your overall communication – advertising, promotions, correspondence – and you will be heard louder and clearer than ever. Add more frequent face-to-face calls, and you cannot help but reap a handsome return on your investment.

Can you excel not just survive in a soft economy? You bet you can, but you will have to turn a deaf ear to a lot of the stuff you'll be hearing. A slowing economy has as much to do with mentality as money. So prepare to be counterintuitive in your behaviors.

Here, too, is your opportunity to gain competitive advantage: investing in R&D, training your people, and relooking your operating and business-building practices. Here – right now -- is your chance to get ahead and stay ahead when the economy turns.

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