



How are successful price negotiations conducted at exhibitions?

At exhibitions where sales are made directly salespeople should not shoot from the hip. If they want to be successful in the long term then they have to adhere to a few fundamental principles.

Determine the willingness to buy A cup of coffee at an exhibition can turn out to be expensive, especially when it is drunk during a long talk with a visitor not willing to buy. In order to not waste costly time at an exhibition an exhibitor's salespeople first of all must determine the willingness to buy of the potential customer. Is the visitor simply a brochure collector looking for information for his or her boss? Is the person a technical or business decision maker? Is a concrete purchasing decision about to be made? Only when the last question can be answered affirmatively and the consultation has convinced the visitor do extensive price discussions at exhibitions make sense. Willingness to buy can be tested with a simple question: "By when should the article be delivered?" Buying signals can also be recognised – as for example through questions related to the period after the purchase. Such as "Can I expand the plant if necessary?"

Avoid naming fixed prices Very popular is the question "what does this cost?" The answer should never be a fixed price, but a range (starting with the higher amount), for example, "that costs between 160,000 and 80,000 Euros depending on the extent and equipment." Or a price is named that refers to individual units: "It comes to approximately 5,000 Euros per PS." If the person posing the question is an expert, then the expert will know what to do with such an answer. If not, then a potential non-buyer can once again be filtered out.

Deal with objections

The typical reaction is: "too expensive". One possible answer could be: "It could very well be that

this or that exhibitor offers a cheaper price during the fair." The word "cheaper" should be used consciously for psychological reasons, because less quality is automatically associated mentally. This makes clear to the visitor at the stand that the purchased services are much more important than a cheaper price. One should similarly proceed with the statement "Your competitor will give me a twenty percent discount". A possible reply would be: "Did they also tell you why they have to give you a twenty percent discount?"

Emphasize the added value

Every laundry machine washes clothes and thus like many other products is indistinguishable at first glance. For this reason one should expand arguments to include benefits and services. "Yes, initially you invest in this solution more. But then water and energy consumption are conspicuously lower and in the long-term you save money." Issues of availability, consulting, maintenance or spare parts are important purchasing arguments. The discussion is not about the "better product", but about who the most suitable partner is for a total solution.

Make sure the chemistry works

Particularly at exhibitions sales employees are subject to enormous psychological pressure. Again and again they have to hear how good and how inexpensive the competition is. If a sales talk is not successful, then salespeople often blame this on the lower price of the competition. The price is in most cases however not decisive. Often the customer does not feel emotionally comfortable or understood during the discussion with the salesperson – which of course no one will admit to their boss. Moreover some forms of behaviour are not good for a positive relationship to a potential buy-

ers. These include suggestive questions or pushing the visitor to make a purchasing decision. If the customer wants to take a look at other stands, then this is completely acceptable. Then it must be agreed what remains to be done during this time and to talk with each other after the visit.

Be careful of "give and take"

Simply giving a five percent discount "among friends", but such so-called "exhibition prices" are a dangerous strategy. The business partner could then suspect that for years he or she has been paying an inflated price. In any case conditions for the future are damaged. Those who have received a discount once will demand it in the future. For this reason the "giving" has to be connected with "taking". Thus the discount for example could be linked with the increase in the amount purchased. A good deal is always a business transaction in which both sides are satisfied and after the deal is closed are left with a positive feeling. Additionally, a happy customer will recommend the seller to others. More deals then come into sight.

This article includes content from the two-day seminar "Conducting price talks at and after exhibitions confidently" by Lothar Lay include in the programme of the Akademie Messe Frankfurt. Next date on 27/28 July 2009.

