

Handling Customer Objections

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'I'm not sure this works for me. No, this product is too expensive. Your service is so slow. I've seen that phone cheaper somewhere else. That isn't what I'm looking for.'

It was Jasmine's first day as the sole customer service employee at a mobile phone retailer, and she was truly overwhelmed. It was one customer objection after the other. She immediately recognised that she was short on the right skills to handle the job demands. At the close of business, she sent an email to the head of the company's customer service department. She explained the situation and asked for professional help and advice. Over the course of the next few days, she was coached on different ways to handle customer objections.

So how did she fare afterwards? You will find out at the end of this track. Before then, we will take a look at what customer objections are and how you can handle them and turn them into an advantage for your business. So sit back and let us embark on an exciting learning journey together.

'Customer objections are inevitable. How do you deal with dissatisfied customers? Do you view their objections as a door slamming in your face or an opportunity to listen to what the customer is saving and offer solutions?'

According to the University of Idaho Business Management and Technology Curriculum Guide, 'objections are concerns, hesitations, doubts, or other honest reasons a customer has for not making a purchase.' People always want to be sure that they are purchasing a good product. In Jasmine's case, customers wanted to be sure they were purchasing the best phone or broadband at the right price. Simply put, customer objections are any problems your customer might have with buying or using your product or service.

Customer objections are gold.

As noted in a Forbes article, with 96% of dissatisfied customers not voicing their complaints, keeping your clients happy can go a long way to improving your business.

Customer objections should be seen as gold; they should be viewed as positive because they allow you to present more information to the customer, which helps in customer retention and customer satisfaction.

Handling customer objections is the method by which you effectively respond to and ideally resolve customer complaints.

So how do you handle your customers' objections without losing them?

First, you have to listen actively and genuinely.

It is easy to fall into the trap of waiting for an aggrieved customer to reel out complaints so you can deliver a standard formal response, but once a customer discovers that you are delivering your responses from a playbook, they mentally disconnect and start to think of other options different from your business offering.

'One of the most off-putting aspects of interacting with a seller is feeling like they are not listening to you', says Christopher Kingman, Global Head of Digital Sales Enablement at TransUnion. 'When a customer objects, simply take note and confirm their concern back to them: "So what I'm hearing you say is this," and repeat back the customer's objection. Chances are you have an answer to their objection, but adding in the confirmation and acknowledgment of it goes a long way.' With this, you build trust, which is a key factor in customer retention no matter the complaint.

'It's essential that they feel like you're hearing their concerns. Give them space, avoid interjecting, and use active listening to understand their apprehensions.

Understanding their goals, motivations, wants, and fears will help you navigate the objection-handling process effectively. An authentic connection with the prospect will help lead to an optimal outcome for both parties.' When you truly listen to the customer's objections, you are doing yourself and your business a huge favour.

Dru Shiner, C2FO's Chief Sales Officer, and a Forbes Business Development Council member, notes that <u>'the first thing to do is to truly listen to what is and is not being said. Objections can be direct challenges to moving forward, but many times they are smoke screens to what is really going on behind the scenes.'</u>

So listening actively and genuinely to the concerns of aggrieved customers is important to handling customer objections.

Next, it is important that you isolate the problem.

Now that you have listened to the objection, it is important you get to the heart of the problem. You can begin by asking follow-up questions to get all the details of the problem. It helps to echo the customer's words back to them to better understand the objection and get to the core of it. For example, 'I'm sorry to hear you've had a bad experience with a mobile phone you got from here in the past. Are there any specific worries you have about the phone?'

'Every prospect has objections', says Patrick Morrissey, General Manager of Upland Software Enterprise Sales and Marketing, '<u>but it's important to get more color to understand what's behind the objection.</u>'

Jasmine remembers a customer once complaining that his internet data package was never enough; it always runs out before the end of the month. Jasmine had to isolate the objection- the data package was clearly not enough to meet the customer's needs. This indicates that the customer needs a higher data package which means a higher price- the customer is thus objecting to paying a higher price for a new package.

Once Jasmine had isolated price as the key issue, she then moved on to address the issue of product pricing.

The key here is to navigate from Price to Value.

One of the most common objections from customers is the price of a product or a service, and you must be prepared to handle it at all times. 'To handle this familiar rebuttal, avoid getting caught up in a numbers game with the prospect and instead reframe their pricing objection to show them that your product's value is worth the price. Circle back to all the ways your product solves their pain points and addresses their needs.'

It also helps to use positive evidence and customer experience to handle objections.

There is no better tool for handling some customer objections than using the positive experience of your satisfied customers. Explain how your solutions helped others. This works particularly well for common objections raised by customers. 'Once you recognize these common sales objections, prepare yourself with evidence that shows you have current happy clients who initially voiced the same concerns. You could simply tell stories about your current clients, but a more effective tactic is to prepare customer testimonials and case studies.'

<u>Cortez Armond of Firsthand Inc</u>, notes that 'Objections can be easily overcome by using a simple but effective technique called *feel, felt, found*. Get your client to understand that their concern makes sense, give them an example of a client with a similar concern, and explain how your solution solved that problem'.

And remember to show empathy and a positive attitude.

These are vital skills that you need to have and develop, especially as a customer service employee handling customer objections.

'A great technique to handle all types of objections is to empathize with your prospect and let them know that you understand where they're coming from. Once you do that, the prospect will lower their guard, and they'll be more open to accepting a solution.'

Demonstrating understanding with a dash of optimism works magic when handling customer objections.

'By showing your client that you understand their concerns and know where they're coming from, you validate their position, thereby strengthening the bond of trust between you.'

Lastly, be prepared. Always.

One of the worst experiences is facing customer objections without a deep understanding of the product, service, or even your organisation. In Jasmine's case, she made it a point of duty to read and be up to date with her organisation's products and services. She also made sure she was familiar with common customer objections and solutions. Armed with knowledge and experience, she was thus always prepared to handle objections from customers and prospects and frequently, she was able to not only solve their problems but also teach them something new. As Anthony Ormsbee-Hale, Regional Director of Sales and Marketing at Civitas Senior Living, rightly said, 'Educate your client on how your product will add value to their business and they will be a long-term customer!'

In this track, we explained what customer objections are and examined how to handle them. We explained that it is important to listen actively to customer objections, isolate the problem posed by the customer, and navigate the customer away from price objections to the value the product delivers. Other points we explored include: using positive evidence and customer experience to handle objections, showing empathy and a positive attitude, and always being prepared to handle objections.

As Jasmine began to navigate her way as a customer service employee at her new workplace, she took these points to heart and they became second nature as she dealt with objections from various customers and prospects. The good news is the story has got a great ending. Company sales doubled in two months and Jasmine won the employee of the year award. It was a win-win for Jasmine, her customers, and the organisation.

So this week, think about the product or service you sell. Write a list of the value it brings to customers' lives, setting aside financial considerations for now. That's all for today. Have a great week.