



Book

## The Psychology of Selling

Increase Your Sales Faster and Easier Than You Ever Thought Possible

Brian Tracy  
 Nelson Publishers, 2005  
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When you learn how people think and make buying decisions, you can use that knowledge to send your sales sky-high.

### Recommendation

Selling is a frustrating profession. Unfortunately, your self-esteem bears the brunt of the unavoidable rejection that comes with the sales process. Popular sales trainer and author Brian Tracy examines some of the basic psychology behind the buying and selling process. He explains how your self-concept affects your sales performance and offers advice on boosting your self-image. He analyzes the reasons why people buy, going beyond the adage, "People decide emotionally and then justify logically," into the many emotions involved in making a purchasing decision. Tracy offers several viable tips and techniques to apply to every facet of the sales cycle. The book is often repetitive, but perhaps the fundamentals bear repeating. The seasoned sales professional will find some helpful details amid the familiar overall strategy. *getAbstract* particularly finds that this easy-to-read book provides a clear, thorough introduction for someone just beginning his or her sales career.

### In this summary, you will learn

- How your self-concept affects your sales performance
- How to raise your self-esteem and join the top 20% of sales professionals
- How to use practical strategies and techniques that apply to every aspect of the sales cycle

### Take-Aways

- In sales, the 80/20 rule means that, "The top 20% of salespeople make 80% of the money."
- Become part of the top 20% by doing just a few things a little bit better.
- The higher your self-esteem the better your sales performance.
- People make purchases based on emotion and rationalize their decisions with logic.
- Asking questions and listening carefully to the answers is the best way to assess your client's needs and to tailor your sales presentation.
- The four elements of strategic selling are "specialization, differentiation, segmentation and concentration."

- To begin your sales meeting, use an opening inquiry or statement that elicits the response, "Really? How do you do that?"
- Neutralize sales resistance by using testimonials, referrals and guarantees.
- Discover your prospect's "hot button" and focus your presentation on it.
- Successful salespeople often use "the approach close" or "the demonstration close."

## Summary

*"You only have to be a little bit better and different in each of the key result areas of selling for it to accumulate into an extraordinary difference in income."*

*"Success is not an accident. Failure is not an accident either. In fact, success is predictable. It leaves tracks."*

*"Once you have programmed a goal into your subconscious mind, it takes on a power of its own."*

### Why Sell?

Why should you become a salesperson? The sales profession can provide a high income and lifetime job security. Once you learn how to sell, you can sell anything. Salespeople often earn more than many other professionals including doctors, lawyers and architects. And in sales, the sky is the limit when it comes to income.

### The "80/20 Rule"

When you apply the Pareto principle (also called the 80/20 rule) to sales, it turns out that, "The top 20% of salespeople make 80% of the money, and the bottom 80% only makes 20% of the money." To become a member of the top 20%, you need to become only slightly better than your internal or external competition. A small improvement in your sales technique can result in a huge increase in your revenue. The best news is that the skills necessary to become a better salesperson are not hard to learn. Those skills include:

- Identifying the needs of a potential client.
- Qualifying prospects more accurately by asking the right questions.
- Making stronger sales presentations.
- Responding more persuasively to objections and concerns.
- Using different methods for closing sales.
- Getting more referrals to increase your sales.

### It Begins in Your Mind

First, recognize and understand the nature of your self-concept and its relationship to your sales performance. "Your self-concept is the bundle of beliefs that you have about yourself. It is the way you see yourself and think about yourself in every area of your life." Your expectations are pivotal because research shows that you cannot earn more than 10% above or below what you expect to earn. To increase your sales, expand your self-concept to accommodate an expectation of reaching higher sales goals. Before you can make your new financial goals a reality, you must envision yourself achieving them.

The better you feel about how you execute the various functions in the sales cycle, the more you will succeed. To increase your self-esteem, use positive self-talk, affirmations, training and motivation. Successful people pepper their inner dialogue with upbeat, confident phrases. For example, if you repeat the phrase, "I like myself" throughout the day, your self-esteem is sure to rise. When your self-esteem grows, your power and ability increase along with it.

### Sales Impediments

The two primary obstacles to making a sale are the "fear of failure" and the "fear of rejection." Rejection is an inevitable part of sales. To cope with it, first, increase your self-esteem and self-concept and, second, realize that sales rejection is not

personal. With practice and persistence, courage can become a habit. The ability to handle rejection without giving up is key, particularly since 80% of sales do not close until the fifth client meeting.

### Goal Setting

Set annual, monthly, weekly and even daily sales goals. Then, determine the activities you must undertake to achieve your goals. Commit your goals to paper to implant them in your subconscious mind. Create a clear mental picture of yourself achieving your goals. Visualize your success directly by picturing yourself in a positive sales situation, or indirectly, by watching yourself as if you were a third party observing yourself making a successful sale. Try the "20 Idea Method" of brainstorming. Write your major objective as a question, like "How can I double my income in the next 12 months?" Then write 20 "personal, positive, present tense" answers, such as, "I make five extra calls each day."

*"Fear and self-doubt have always been the greatest enemies of human potential."*

### Why Buy?

People base buying decisions on emotion, and then rationalize their purchases with logic. The two primary motivations for making - or not making - a purchase are "desire for gain and fear of loss." The desire for gain is a quest for an improvement of some kind. The fear of loss crops up when prospects worry about making a mistake or getting stuck with goods or services they don't really want.

*"If you are in sales and you fear rejection, you've picked the wrong way to make a living."*

All fruitful selling begins with a "needs analysis." To conduct this analysis, ask questions that uncover the customer's main needs and desires. Then, convince your prospect that your product or service fulfills these needs better than anything else. The human needs that motivate buying are: "money, security, being liked, status and prestige, health and fitness, praise and recognition, leading the field, love and companionship, personal growth, personal transformation," and "power, influence and popularity."

Open-ended questions, the kind that require more than a "yes-or-no" answer, are a great tool for getting your clients to talk about themselves during your needs analysis. Open-ended questions often begin with such words as "what, where, when, how, who, why and which." When you are asking your prospects questions, you are in charge of the conversation.

*"Rejection has nothing to do with you. Instead, it is like the rain or the sunshine. It just happens from day to day."*

The six most important words in selling are, "Spend more time with better prospects." Ask questions at the beginning of your presentation that uncover whether the person is a prospective customer. Observe the prospecting methods that your company's top salespeople use and apply them to your own practice.

Today's salespeople position themselves as consultants, mentors or teachers. Become a friend who provides solutions to your client's problems. Remember that people don't buy widgets, they buy the benefits that the widgets provide. When you are talking about your product or service, stay aware that your customer, internally, is always asking, "What's in it for me?" The customer's next four questions are what will it cost, what will he or she gain as a consequence, when will this outcome actually happen and what guarantee are you offering?

### Strategic Selling

To sell your product or service, you must thoroughly understand what you are selling, your market and your competition. List your product's 10 most appealing characteristics. Then, determine why someone wants to buy it from your company and from you, personally. Identify your "unique selling proposition," the feature that differentiates your product.

*"The prospect does not care what your product is. He only cares about what your product or service will do for him."*

The four elements of strategic selling are "specialization, differentiation, segmentation and concentration." Determine what specific benefits your product offers. Differentiate it from the competition, when possible, in terms of price,

quality or even the strength of your personality. Segmentation means finding the group that is naturally disposed to want your product. Concentrate on the prospects who are likeliest to give you the highest return.

The point of a prospecting call is to get an appointment, not to sell your product via the phone. Begin your sales call with a strong opening statement. Ask questions that emphasize the benefit of your product or service. You want your opening inquiry to elicit the response, "Really? How do you do that?" For example, Corning Glass's strong opening statement is, "We can provide you with glass that doesn't shatter."

*"Refuse to talk about your product or service, or the price, on the phone; focus single-mindedly on getting a face-to-face meeting, nothing more."*

When you meet one-on-one with potential customers, your goal is to help them feel comfortable and be attentive. You need to set their minds at ease about five issues. First, assure them that you have something important to say. Second, confirm that you are talking to the appropriate person. Third, reassure your client that the meeting will be brief. Fourth, make sure your prospects understand that they are under no obligation to make a purchase. Last, tell the prospective clients you will not use high-pressure sales techniques.

### **Overcoming Resistance**

Encountering resistance is normal. To neutralize sales resistance, tell your prospects that you understand the issue behind their resistance and counter with a statement such as, "Other people in your industry felt the same way when I first called on them. But now they've become our best customers." Then, reiterate the crucial benefit of your product or service. You can also counter resistance by referring prospects to your satisfied customers. Testimonials, referrals and recommendations are the strongest weapons in your sales arsenal.

*"When you are selling in the home...never make a sales presentation in the living room. People do not make important...decisions in the living room; they make them in the kitchen or at the dining room table."*

### **The Professional Persona**

In sales, "everything counts." The impression you make is important. Successful salespeople project a relaxed, confident professional image. To achieve this appearance and attitude:

- Dress professionally.
- Be sure to be well groomed.
- Maintain good posture and be aware of your body language.
- Be sure your voice sounds strong and clear.
- Have a positive, upbeat point-of-view and a cheerful demeanor.
- Make sure your clothes, grooming and hair length mirror your customer's appearance.
- Keep your sales material neat, organized, colorful and attractive.
- Keep your desktop organized.
- Develop a firm handshake.
- Be polite at all times, to everyone.

*"If you do what other successful people do, you will eventually get the same results that they do."*

### **Preferred Presentations**

After you qualify a prospect, show one feature of your product at a time to discover which benefit or "hot button" the client finds most interesting. Once you discover the client's hot button, focus your presentation on that. Describe potential measurable results, such as a 10% increase in sales. If possible, guarantee the results with offers of rebates or refunds. Interestingly, the discussion of price often happens after the client agrees to buy. As a rule of thumb, delay any discussion of price until the close of your presentation.

### **How to Close**

*"Everyone is busy. For this reason, you should always expect initial sales resistance, even if you are offering the very best product at the very best price to the most qualified prospect in the world."*

Leading salespeople often use either "the approach close" or "the demonstration close." In the approach close, you ask the client to make a decision after your presentation. Say something like this: "Please tell me at the end of our conversation whether or not this product makes sense to you." You are asking the prospect to listen with an open mind, and to give you an answer after he or she has heard about your product or service. With the demonstration close, begin the meeting by asking the clients if they will make a purchase if you can demonstrate the key benefit of your product. For example, your beginning question could be, "Mr. Prospect, if I could show you the best investment available on the market today, are you in a position to invest \$5,000 right now?" Another alternative is the "power-of-suggestion close," where you conduct your conversation based on the assumption that the customer has already made the buy. Just say, "You're going to love the...service you get."

### **"Ten Keys to Success in Selling"**

The sales professionals who make it into the top 20% practice these concepts:

*"Never expect people to call you back, no matter how honest or intelligent they sound."*

- "Do what you love to do" - Like your job and decide to excel.
- "Decide exactly what you want" - Work from concrete objectives.
- "Back your goal with persistence and determination" - Be resilient.
- "Commit to lifelong learning" - Knowledge has tangible value.
- "Use your time well" - Work from a prioritized plan.
- "Follow the leaders" - Ask the top sellers you know for their advice.
- "Character is everything" - Trust your touchstone; be authentic.
- "Unlock your inborn creativity" - Find and use your "natural talent."
- "Practice the golden rule" - Treat your peers and customers accordingly.

"Pay the price of success" - Work diligently until you reach your goal.

## About the Author

**Brian Tracy** is a sales trainer and speaker who has worked with more than 500 corporations. He is the author of many books, including *Focal Point*, *Goals!* and *Create Your Own Future*. He produces audio and video programs on sales, management and leadership.

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