

## The Six Principles of Influence and How They Apply to Sales – Part Two of Three

By Barry D. Caponi

This is part two of a three part series on Dr. Robert Cialdini's Six Principles of Influence and how they apply to sales.

### **Principle No. Two – The Principle of Scarcity and Fear of Loss**

People want more of (and will pay more for) those things that they can have less of...and it can be applied to sales in three manners. Those are appealing to the fear of losing something, not being privy to some exclusive information, or the most common, the fear of losing out on something because of a scarcity of supply.

Don't believe it? Then why do people put their names on waiting lists and pay list price plus a premium to get a newly introduced car that people will be buying at a discount in six months? And, heck, they can't even choose the color or options they'll get! Other examples are the 'Black Friday' (Friday after Thanksgiving) specials retailers advertise. Concert tickets are another example of obvious limits on a product. People camp out the night before to be first in line. I even saw a news story on TV the other day about people camping out overnight to buy a \$25 IPOD accessory for ninety-nine cents. You could say those people need to 'get a life', because you surely wouldn't do that if you want to, but it doesn't change the fact that they did it and that you do fall prey to the same technique when it's worth it to you – hard to find Christmas toy that the kids just have to have, perhaps? Or how about the good old time tested 'limited time offer'? Like it or not, it works, because people don't want to be left out.

Okay, so maybe you're thinking, it works in advertising, but the question is, how do we make it work for **us** in our every day sales efforts?

The simplest and most obvious place is in the initial appointment making phase of sales. If demand has outstripped supply, or perhaps we're closing out a product line, or that the components of a product are becoming scarce, make sure the suspect knows.

Another less obvious example is scarce information. In our appointment making workshops I talk all the time about what we are offering as the value in our request for the appointment. Coming into our workshops, almost all of our participants historically have concentrated on what their product or service can do for the person they're calling. If you're talking about what your product or service can do for them (unless you do have some **new** gizmo, which is new and scare information itself), you're losing an opportunity to offer information that is scarce or exclusive...what or how you've helped someone else in their shoes benefit in some way. Remember, they probably think they



know all about what you're selling, and don't think they need it...or they'd be calling you (or at least a competitor). But all of us succumb to the fear that someone else somewhere, knows someone or something that we don't, and they're gaining a leg up on us because of that 'inside' information. So if you can tease them (curiosity is the key) with the fact they may be losing out on this closely held information, you'll increase your odds of getting the appointment.

In his book, *The Power to Get In*, author Michael Boylan suggests that in order to get that initial meeting you want within a new suspect organization, you should call into more than one person within the organization. He also suggests that you let each of them know you're calling into those other individuals. Why? Because of the element of competition (one of those others might find out something that will give them an advantage over me) which manifests itself in a fear of loss. He says, "Getting in the door is not primarily a matter of personality or verbal skill. Nor is it primarily a matter of the particular product, service or idea you have to offer. Rather, it's all about understanding what truly motivates your prospect – and using those needs, fears, and concerns as leverage to navigate your way in." (It's really not the product!)

The fear of losing something manifests itself in one other stage of the buying cycle according to Dr. Cialdini. On his CD, he talks about some experiments they ran selling replacement windows. In their experiment, half of the sales team used the 'you will **save** \$1.50 a day in energy costs if you install these new windows' pitch. The other half used the 'you will **lose** \$1.50 a day in energy costs if you **don't** install these new window' pitch. The team using the latter, loss based, approach consistently closed more business than the former, gain based, approach as people are more motivated to respond to losing something than gaining something.

Because of this principle, in the questioning skills portion of our Basic and Advanced Selling Skills workshops we concentrate on both questions that identify the potential gains a prospect will experience upon the decision to use your solution, but also the consequences of not choosing to do so. All other things being equal, closing will then be more effective if the last thought present in the prospect's mind is one of what they will lose if they do not choose your solution.

### **Principle No. Three – The Principle of Authority and Credibility**

Principle number three applies to being knowledgeable and credible, having expertise and experience, and being trustworthy.

We all know that people buy from those they trust. And people tend to trust and follow the lead of the experts. A perfect example of that is how certain car companies tout their ratings on the National Highway Traffic Safety Administration (NHTSA) crash test reports. Another example is how many toothpaste companies sell their products with the 'certification' of the American Council for Dental Care, etc.



So how does this apply to us in sales?

1. If you have credentials, by all means use them. Your marketing team has done a lot to develop them, so don't waste them; make sure your prospect is aware of them. But beware; remember my mention of certain moments of power in the first article? There exists one of those moments of power to introduce those credentials only prior to walking in the door. If you walk in and start talking about yourself and your credentials it sounds braggadocios. It is why using referrals to do that for you works so well. Having a third party tell your suspect all about you is much more effective than you doing it yourself. So if you don't have that luxury, how do you do it?

I used to subscribe to Stephen Schiffman's (*Cold Calling Techniques – That Really Work!*) technique of not confirming Initial Meetings. His theory is that if you call back to confirm the meeting, you open the door for them to say no again and the need to 'resell' the appointment. I don't disagree with that if you have not established a solid benefit in the suspect's mind for the meeting. It's why we use the concept of the 'Bridge' question in setting the appointment to get into a short discussion that provides the opportunity to expand on the value message. But I digress; here's what I suggest to provide you with an opportunity to toot your own horn if you need to prior to the initial meeting. When you set your initial meeting appointment, ask for an email address so that you can confirm the meeting and ostensibly to supply them with your contact information should they need to reschedule. Then when you send them the confirmation, include your credentials. It could be a testimonial, or a published article about you, your product or company, etc.

2. If you don't have tons of recent results or professional or unbiased credentials, try what the advertising industry does when they introduce a new product. Right before presenting their strongest argument, they mention a weakness which lends a certain credibility to them. Examples are: Avis – "We're no. 2, but we try harder"; L'Oreal – "We're expensive, but we're worth it"; Peace Core – "It's the toughest job you'll ever love".

When doing so, you will have created your own moment of power right after you mention your weakness, thereby creating credibility. People will open their minds and ears when you are seen as being self deprecating, or honest.

Next month we'll talk about the final three principles – Commitment and Consistency, Consensus/Proof and Liking. In the meantime, if you're interested in going directly to the source, order Dr. Cialdini's CD, not the book. The CD is very engaging and the book is very, well, academic. You can order the CD at his website, [www.influenceatwork.com](http://www.influenceatwork.com).

