

Financial Selling 101

Budget Objections

Technology Finance Partners

“Financial Sales Engineers”

Financial Selling 101 addresses effective objection handling at a high level. The financial selling series is developed to help you understand and translate “the language of the financial decision maker”. Financial Selling 101 provides a dialogue to help you handle the most common customer objections without automatically reverting to a deeper discount or to a sale based on “available” budget vs. actual need.

Assuming a technical “thumbs up”, this information helps you to keep the conversation moving forward and to extract maximum value from meetings with financial decision makers.

At Technology Finance Partners, our job is to make the financial side of the sales effort easier.

Global sales and strategy consultants re-inventing the way software is priced, valued and sold.

Common Objections	Customized Objection Handling
<p>“I have no budget left through end of fiscal year”, or “I only have \$X budget dollars left for this year”.</p>	<p>1) “Do you plan to acquire this solution through your capital budget or operating budget? We can work with you to structure a payment plan that might allow you to access your available budget if that will help you to commit now.” 2) “If we were able to offer defer the cost until next fiscal year, would that overcome the internal hurdles?” 3) “If we were able to offer payments customized to your annual budget or cash flow requirements, would that help you to commit now?”</p>
<p>“I understand that standard payment terms are net 30 or net 45 but it would help if we could extend the payment to net 90 or break the payment schedule up over the next 12 months. Is that possible?”</p>	<p>“The vendor’s standard payment terms are net 30, however, we have a program that can provide some options for non-standard terms including Net 90 in some instances and extending payments over the next 12 months. Let me get back to you.”</p>
<p>“Since we are not scheduled to begin deployment for another 2 quarters, I’d like to revisit discussions at that time when we actually ‘need’ the software.”</p>	<p>“Unfortunately, the discount level that is included in this proposal is at x% predicated on commitment in current quarter. We would need to rework the proposal in that case at a lower discount level. What if we deferred your cost until you actually deploy? We can tie a payment schedule to a deployment schedule... would that help you commit now?”</p>
<p>“Projects internally must meet certain ROI and payback criteria in order overcome certain hurdle rates. The financial metrics of your project are outside the scope of our requirements.”</p>	<p>“If you consider a payment option tied specifically to your deployment schedule (matching an internal benefit to a cost), your payback can be reduced significantly and your ROI can become positive within the first few months of deployment. Will this help to prioritize this project internally?”</p>
<p>“Why can’t I have extended payment terms from the vendor? Why do I have to sign a 3rd party ‘finance agreement’?”</p>	<p>“We, as a vendor, cannot offer non-standard payment terms and recognize the revenue up front. This is a Financial Accounting Standards Board (“FASB”) guideline. The payments must be assigned to a 3rd party. Our only other option is a net 30 payment as discount levels are predicated upon up-front revenue. It is an industry standard arrangement for the majority of software companies globally.”</p>
<p>“I like the interest free payment option, however, as we both know there is a cost associated with this. I would like to know what the interest subsidy is on this offer and I’d like you to increase our license discount instead.”</p>	<p>1) “You are right, the vendor is subsidizing the interest cost, however, we are at our maximize license discount. The interest cost is an entirely different discount bucket that has been set outside the scope of the license discount. The two cannot be combined” 2) “OK ... let me get back to you and see if this is an option.” (Reduce the quoted rate subsidy amount by 50-75% and present as potential incremental license discount).</p>