



Converting Objections into Sales by [Mihaela Ciobotea](#), Senior Banker

“I’m very busy right now,” a potential customer says, declining a meeting request. As an SME banker, how do you respond?

Encountering obstacles and objections is a daily occurrence for bankers, generated by prospects’ skepticism, reservation, disbelief, distrust, and concerns. CapPlus’ new Sales Toolkit reveals that in truth, these objections are opportunities - and how best to capitalize on them. By responding skillfully and positively, we can turn apparent problems into pathways toward sales that address customers’ needs and benefit both parties.

As I explained in [CapPlus’ recent webinar introducing the Toolkit](#), the first step is to identify the customer’s real, underlying concern so we can address it accurately. Customers may have objections because they are skeptical about using the products, don’t understand how they work, or are reluctant to change. Most of the time, an objection is an unaddressed concern. As SME bankers, our job is to help the customer minimize their worries about our products by addressing those concerns. We can overcome an objection only after we identify and understand the underlying one – whether that is resistance to the price, fear of change, or concerns about timing.

How? By being prepared for whatever objection may arise, a key component of any strong customer relationship management system. We must know our own products and services well, but we can’t stop there. We must also know our

competition's services and have a good idea about our customers' real needs. With this preparation, it is much easier to anticipate each comment made by customers and have responses ready for any situation.

Just as important, this foundational knowledge will allow us to easily connect our customer's needs to the benefits offered by our products, minimizing the likelihood of an objection to begin with.

Not all objections are bad signs, however. Often they're an indication that the customer takes our offer seriously. If a customer wasn't interested at all in talking with us, they wouldn't even give an excuse.

To engage a customer, we recommend a method known by the acronym of its 4 easy steps: LERC.

- **LISTEN**
- **EMPATHIZE**
- **RESPOND**
- **CONFIRM**

Each step plays a key role in confirming that the objection has been successfully overcome. Skipping one all but ensures that the issue will be raised again later on.

What do we have to do?

LISTEN – Give the customer a chance to present their objection. Don't interrupt and don't contradict. And don't confront since we'll you'll have the opportunity to ask clarifying questions later on. We may nod or respond verbally to prove that we're listening.

EMPATHIZE – Show empathy by connecting with the customer's concerns and addressing them directly, demonstrating that we understand their perspective:

- *I see your point;*
- *I understand your concern;*
- *I know what you mean;*
- *I agree with you*

RESPOND – Respond by asking clarifying questions and then presenting the benefits important to this particular customer, describing how the products address their concerns from their point of view.

CONFIRM – Ensure that the customer’s objection was resolved by getting their acceptance or agreement:

- *How does this sound?*
- *Is this OK with you?*
- *Shall we start then?*
- *Does this respond to your question?*

A common mistake is to use defensive words during the Empathize or Respond stages such as *but, however, although, nevertheless*. These words contradict the empathy and connection we must build to succeed.

So what’s the best way to react when a customer tells you they’re too busy to meet? You can respond, *I know that your time is very valuable* (Empathize). *Therefore I suggest limiting our meeting to thirty minutes at most. We will analyze how the bank can support you in developing your business. I can come to your business if this better suits you* (Respond). *How does that sound?* (Confirm)

Without following the LERC method, it is easy to push a customer further away by continuing to pursue the meeting. Using LERC, we can strengthen our relationship with the customer even if we don’t make a sale at the moment. By building these personal connections, we create the opportunity to better serve and build SMEs, while growing our portfolios in the process.

[Click here](#) to view our webinar on *Consultative Selling to SMEs: How to Build a Long-Term Relationship*, [here](#) to download the slides from the webinar, and [contact us today](#) to discuss how CapPlus can help optimize your institution's SME sales processes.

**Register now for CapPlus' first bilingual Webinar:
Talent Management Continuum for SME Bankers
22 November
11:00 GMT (English) | 14:00 GMT (Arabic)**

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Talent Management was initially used as an HR tool in the recruitment process. It has since developed into an essential business wide practice, used by management to

cover many areas such as succession planning, development of the organisation and individuals, performance enhancement and organisational capability. MFIs and SME/small business banks have realised that their employees' talents and skills drive their business success. Therefore in this webinar we will focus on how to identify the talent within your organisation, along with the steps you can take to enhance and grow your talent and attract new talent to your organization.

This webinar will demonstrate a successful Talent Management Continuum, and will cover the areas including:

- Attracting talent and creating an attractive organizational brand
- Developing your talent – talent pools and skill will matrix
- Managing your talent through objectives setting
- The succession planning process
- Evaluating your talent against objectives and development plans
- Retaining your talent
- Talent management policy

Register now!

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CapPlus' Workshop at Sanabel 2016 Conference: Building Viable Credit Scorecards

Ahead of the Sanabel Conference held in Casablanca at the beginning of this month, CapPlus led a highly interactive one-day workshop on credit scoring.

The training was focused on teaching participants how to build an expert or statistical scorecard, and was grounded in real world examples and data. By the end of the day, participants had learned about challenges and solutions in using scorecards, and how they could implement and improve the tool at their institutions.

[Click here](#) to download a preview of the workshop presentation, and [email us now](#) if you'd like to learn more about how CapPlus' credit scoring workshop can benefit your institution.

