

LAARC sales resistance mitigation tactic

- 1 listen
- 2 acknowledge
- 3 assess
- 4 respond
- 5 confirm

characteristics

country:	United States
period:	
type:	checklist
role:	consultant and change agent
activity:	analyse and reflect
topic:	marketing & sales
abstr. level:	individual
perspective:	learning
status:	under review
module:	personal selling
comments:	0

related models

ADAPT interview framework

description:

LAARC is a standard sales resistance mitigation tactic. The acronym stands for LISTEN, ACKNOWLEDGE, ASSESS, RESPOND, CONFIRM. Buyers' objections in the sales process are natural and should be regarded as requests for additional information and triggers for acceptance rather than as negative remarks.

LAARC categorizes objections in the sales process into five broad categories:

1. NEED related
The buyer must have a need in order to purchase a product. The most difficult objection salesperson faces is when the buyer has just purchased a similar product.
2. PRODUCT related
The product lacks a feature that the buyer regards as important. Products are bundles of benefits that buyers seek to fulfil their needs. A product consists of multiple layers of features: core, quality, support, design, etc.
3. SOURCE related
Vendor loyalty is one of the most difficult objections to overcome. Buyers do not like to switch vendors, especially when the current vendor is a household name and has a proven track record. Stressing superior features or suggesting an evaluation of a single order are tactics to overcome this type of objection. An objection can also be related to the new seller's company. The selling company can be too big or small, too new or out of date, or possess a tainted working relation with the buyer.
4. PRICE related
Price is the most common objection. The best tactic must stress the value the product delivers in relation to its cost during its entire life cycle. The level of price objection is category dependent; certain product groups are more vulnerable.
5. TIME related
Stalling a sales meeting or purchase is common in rejecting the salesperson without direct confrontation. Stalling can be legitimate if internal stakeholders need to be lined up or the content of received proposals is difficult to analyse. The best sales tactic shows the consequences of a delay such as a new budget cycle or new fiscal policies.

An objection often reflects a deeper cause that a sales person needs to try to discover. Experienced sales person's tactics include pre-empting a likely objection by raising it ahead of the buyer correcting or denying incorrect information; changing a reason not to buy into a reason to buy; mitigating false information by using information from a trusted third party or providing a counterbalance by stressing an offsetting benefit.

LAARC is an effective process to overcome buyer resistance. LAARC stands for:

1. LISTEN
Active listening to the buyer is more difficult than it first seems. Buyers want to communicate what they deem important. Anticipating and cutting them short is common.
2. ACKNOWLEDGE
At the buyer's conclusion, the salesperson must acknowledge receiving the message without directly responding to it. A common response is: is important. I understand your concern. What do you need specifically? This sales behaviour raises a profile of reasonability: one who appreciates other's opinions.
3. ASSESS
The seller must gain a better understanding of the issue raised by asking the buyer assessment questions -- what the issue is and why it was raised. The advantage of opening a dialogue is to defuse possible buyer anger or frustration. The assessment stage is completed when the salesperson can fully empathize with the buyer's objection.
4. RESPOND
The sales person responds to the buyer once there is a sound understanding of the issue and why resistance was triggered. All the above response tactics are useful. The reply should be carefully constructed.
5. CONFIRM
After the response, the sales person needs to ask confirmatory questions to validate comprehension of the message and to assure the buyer that all concerns have been adequately met.

The result of a LAARC dialogue should be a commitment from the buyer, either an appointment, an agreement for a next meeting, a demo or an actual sale.

assets:



five sales objection categories

ProvenModels • editor PM • version 0.1 • 31 KB



LAARC sales resistance mitigation tactic

ProvenModels • editor PM • version 0.1 • 37 KB



other sales resistance mitigation tactics

ProvenModels • editor PM • version 0.1 • 28 KB

references:

- 85 of the most common sales objections
<http://www.saleshelp.com/assessments/Sales/ObjectionsList.htm>
United States
- Professional Sales Institute
<http://www.cob.ilstu.edu/profsales/>
United States
- Professional Selling: A Trust-Based Approach
<http://www.amazon.com/gp/product/0324321031?ie=UTF8&tag=provenmodels-20&linkCode=as2&camp=1789&creative=9325&creativeASIN=0324321031>
Thomas N. Ingram and Ramon A. Avila • 2005 • Thomson • United States • ISBN 0324321031