

Sales Wording - Training

APPLICATION Fee's Name

I was on a sales call with a new rep and everything was going smoothly. Paperwork done, heads nodding the right direction and a surprise reaction by the merchant came suddenly when the rep said, "now I need a check for the Application Fee." (This particular merchant was sort of a loner type in a small nursery plant shipping business and had the kind of questions that indicated he was suspicious of the whole new idea of taking credit cards).

The merchant shoved back his chair and said, "I will NOT pay to apply for something when I also have to pay for the terminal and all these other fees SOMEONE else profits from!!" My rep looked at me with panic on her face and I had to take over to finish the sale.

I followed the first rule to objections by agreeing with the merchant, "You know you're absolutely right, Mr. X, "Application Fee" is the wrong name for this - it is actually what it costs the company to submit the papers Airborne, pay the credit bureau to check your credit and maintain staff to process everything before they make any profit from your business." (I broke down each cost on a note pad as I talked and they naturally added up to more than the app fee).

"Now you've been asked by your customers to accept cards and earlier you said you were missing sales because you were not? We could use regular mail and reduce that cost if you like, but of course it will take longer before you can accept that new volume."

He knew costs of doing business well and I knew he used some air shipping himself. We made the sale and the rep learned an important lesson about how to present a fee's "name" and handle a strong objection.