THE SALE YOU DON'T WANT

When Saying 'No' is the Only Viable Answer

By Scott O'Neill

Is there ever a time to reject a sale?

Consider Mr. S., a client of mine this past fall. He wanted a custom-faced wood garage door that matched his house siding. His home was built in the 1960s and had vertical T-111 plywood siding across the front. His garage door was original — a Californian flip-up type with the same T-111 siding on it.

We discussed the concept and advised a wood sectional door with the same look. He liked it a lot. We then gave him a detailed proposal and our bid.



We Won the Job! (Sort Of)

A week later he showed up at our showroom unannounced, with our proposal in hand and a deposit check. Reviewing the proposal, I noticed that he had changed several terms and added new requirements. He also lowered our bid by \$200. After clarifying his changes, I then brought up the changed cost.

"I see that you actually modified our total down by \$200," I said.

"Yes, Scott, that's the price I think is fair," he said. "Will you accept that?"

Walking Away

"With all due respect, our proposal was based on the original factors and conditions," I replied. "It also included line items that we added for free. So, I gave you our best offer the first time. Plus, the project now includes new requirements. I'm sorry, but I cannot lower the cost by \$200 more."

He paused, then abruptly said, "Okay, thanks. ..." and proceeded to walk out swiftly.

Before he left, I countered, "I do hope you understand that our business model includes

the best installers, follow-up service, and a fully staffed showroom."

He said he'd take that under consideration, and he left.

Winning the Job (Again)

In this market, I understand the need to be somewhat flexible on pricing. People are asking for deals and often getting them. Yet we must meet our cost margins, no matter what.

Three days later he called, gave us his credit card number for a deposit, and requested that we proceed. "I'm not happy that you're not coming off the price," he explained, "but I want to do business with your company. You're definitely more thorough than any other company I've had out."

So we proceeded.

The Problems Begin

Upon installation, however, the problems began. He called, complaining that the rough-sawn texture of the plywood didn't match his siding well enough. His house had been painted many times since the 1960s, softening the rough-sawn texture. The new door surface was too distracting for his liking.

We contacted our manufacturer, who sent his best field-repair technician directly to the home. He worked on the door for about half a day, re-sanding, re-applying primer, and making it look as perfect as he could.



"Our manufacturer lost money, and so did we, even though we did nothing incorrect."

The client's response: It's still not acceptable.

We then sent our company owner out. I followed, and then our field superintendent went to see the door. We showed this client we wanted him happy, even beyond reasonable requirements.

Back to Square One

But he still would not accept the door, even knowing that once it was painted, it would be fine. Nothing would satisfy this customer other than having us build a brand new door from scratch.

That's what we did. Our manufacturer lost money, and so did we, even though we did nothing incorrect.

The terms of the original proposal stipulated that the texture was "as is," and we had all legal rights to fight this. We didn't, as it would just have cost more in court costs, time, and client good will.

Learning From Mistakes

How did we learn from this?

Just last week, I finished up with a would-be client. For 18 months, he made me develop six or seven different custom garage door designs for him. He was rude, self-absorbed, and opinionated, but I plowed through it all.

In the end, he took all of our work and got a cheap bid from a company out of area, with no showroom and no place of business. They underbid our job by more than \$2,000.

He then offered to give me the work if I matched that bid. After justifying our value to him, I bowed out.

When to Walk Away

Of course we want every sale possible, especially the ones we work so hard to get. Yet sometimes, a sale can be a money-losing, nowin proposition. And some clients can be much more hassle than they're worth.

As Kenny Rogers once sang, "You've got to know when to hold 'em, know when to fold 'em, know when to walk away, know

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