

Daniel Hall Presents



Episode 114

## Negotiate Like a Pro by Creating Win-Win Deals in Business

with Tyler Sheff

Hello! Welcome to this episode of the RealFastResults.com podcast! Today's episode is a little different, but very special. Tyler Sheff is here to share his business knowledge. He is the CEO of [The Cash Flow Guys](#), and he's the host of the "Cash Flow Guys" podcast. Please welcome Tyler to the show...

### Big Fat Promise: Successful Negotiations

Thanks for having me. The big promise today is, I am going to teach you how to be successful in virtually any negotiation that you may come across. Husband or wife? Entrepreneur? Real estate person? Banker? Lawyer? It doesn't matter. We are going to cover that.

### Step #1 - The Reason

I was told by a friend of mine, and a mentor, that the Good Lord gave us two ears and one mouth for a reason. The two ears are there to listen, and the one mouth is there to talk. **The problem that we make, as business people and as entrepreneurs, is that we spend a lot of time assuming.** Whether that's in our marketing message, or in our goals, we assume that we are going to do a certain thing, or that people are going to react a certain way, but very rarely does anyone actually do the work to simply ask people... Or, more importantly, here's the thing that people miss, actually listen to what the answers are.

Let me give you an example of that. Most common, in negotiations, and I see this a lot... I'm a real estate agent, but I'm primarily a real estate investor. What I do is buy small to medium sized apartment buildings with what I call "financial friends". What I find is, a lot of property owners, or sellers per se, don't receive offers on their properties. I'll ask them, "Why do you think you haven't gotten any offers?" Realistically, what I find out by talking to a lot of buyers out in the field is that people assume that a seller, or the other party, is not going to accept whatever offer they may make.

People don't apply for jobs because they don't think that they are qualified. People don't apply for any opportunities out there because they fear rejection. **The reality of it is, in a negotiation, that a lot of the time the other party is often more nervous, or more scared, or more terrified, of the outcome than you are.** Let's use real estate for a perspective. When we understand that seller is nervous, we can embrace that. Maybe we can be honest with them and say, "Mr. Seller, I really want to buy your property today," or, "Mr. Employer, I really look forward to working here, and here's why..."

Kind of chip the ice off of the mold, so to speak, so that people can focus on the core thing. When we make assumptions, I can assure you, being a married man, that I'm almost always wrong. When I think I know what my wife is saying, or what she is thinking, I can assure you that I'm almost always wrong, and I think that I know her very well. I simply can't read minds. Now, what I have found is that when I actually take a minute and listen, and I ask very pointed questions and listen to the answers and responses, I'll get to where I want to go.

**More importantly, the second part of that is, I find that when people are listening, they are simply listening in order to respond.** They aren't listening to gain understanding. There's a huge difference between listening to understand and listening to respond. Listening to respond is, basically, the soft version of a quasi-argument, so to speak. Listening for understanding usually yields another question behind it. So, for this example, if I were talking to you about your home, and you were talking about it, instead of me going on to the next question, that really has nothing to do with what we were talking about, I might ask another question to get further understanding of whatever topic we were going on about.

By doing that, in most cases, what you'll find is that people will give you all of the information that you need to be successful in negotiations. They will literally give you the cliff notes on exactly how to get whatever it is that you want to get. I don't care if you are trying to get a kayak, or a car, or a house, or whatever you're going to do. It doesn't come down to the context of, "What's your bottom dollar?" I mean, show me one example of when that has ever worked. It just doesn't work.

So, we've got to ask questions like, "Why are you selling that car?" "Well, because it was my grandmother's car, and she can't drive anymore," for example. "Oh, I see. How long have you been trying to sell it?" "Oh, we've been trying to sell it for about six months." "Really? Why hasn't it sold?" Usually this is when people don't stop talking long enough to hear the answer, because that's a very critical question.

What you are doing is identifying why this thing is still for sale, if it's such an amazing deal. By kicking back and just listening, and by hearing what they say, and then asking a follow-up question to that, number one, people feel like they are being listened to... I mean, doesn't it make you know someone is listening and they are "getting it" and truly understand it. What about when you come up with a question and they weren't paying attention because they are off on Facebook or not present in some other way?

For me, it comes down to, maybe having a little bit of an outline, or a certain line in my head. It comes a little more naturally for me, maybe, than it does a lot of people. I'm former law enforcement, so I'm pretty good at getting information from people. But, taking the time to go through those steps, starting with the "why"... That sounds very cliché, of course, but it's absolutely accurate, and it works 99.9% of the time.

Truly understanding, "Why are you selling it?" "How did we get to this price? I'm not saying there's anything wrong with that, I'm just curious." When you are negotiating something of value, "What are you going to do with the money? Oh, you are going to go to Europe? That's exciting." The answer to that questions going to tell you a lot about whether you are going to have to write a check for the entire amount or if you can make payments. You know, in the real estate space, we try to finance everything that we possibly can. That's the power of leverage, and that's how we build our wealth.

So, taking that time to go through that exercise with people, number one, it makes them feel fulfilled. But, at the end of the conversation, they feel good about it. They don't feel as if they've been tricked or as though you've been using some sort of trick to sneak in and steal their property from them. You can actually take the time to have a good, old-fashioned conversation, and man, does that make a big difference.

## How Do I Know What Questions to Ask?

**In the beginning, when you start this process, it helps to think of yourself as a problem solver.** I do that. I think of myself as a problem solver. I am here to solve a problem. Sometimes that problem is that a young lady has a house and she simply doesn't want it anymore because she wants to buy a new one. It's still a problem, just the same.

There are a million different reasons why a person might be selling something. They might be selling a car, and they might say, "Well, I already have another car. I don't need this one," or, "I don't like this one because it's yellow, and I changed my mind." Whatever the reason might be, when you are the kind of person that asks "why," and really digs down into what their motivation is... Structured properly of course. You don't want it to sound like an interrogation because it won't go well. When you really invest some time in learning about the other person, in a non-interrogation type of way, you are going to be far more successful.

People are going to be more relaxed because it gives them the opportunity to share. If you give them the opportunity to share, they feel as if they are being heard. Things are just going to go a lot smoother for you that way. It deflates that big balloon that people feel is going to pop when you call someone on the phone and ask for whatever.

## Step #2 - The Offer

**Once you discover what their reason is for wanting to sell, it's important that whatever offer you make isn't just price-based.** It should solve whatever problem it is. Here's a good example of that. Let's say that someone is selling their house because they have medical bills. So, the why is, "My wife just had surgery, and there was a \$20,000 deductible. I have to sell the house to solve that problem." The reality of it is that they don't need \$100,000 to fix a \$20,000 problem. They need \$20,000.

So, by asking that question, now you can look at the situation and say, "Okay, Mr. Seller, what I'm hearing you say is that you are selling this house (car, jet ski, or whatever) because you need \$20,000. What if I can provide you with that \$20,000 today, therefore solving your problem, and then I can make payments on the equity on (on whatever asset it is that you are selling) over time? How would that sound to you?" That's a perfectly logical question.

The key here is... And, this is where people lose it a lot of the time. They keep talking. This is a point at which you've dropped an offer on the table. It solves their pain, right? It solves their problem. Let it sit there. He who speaks first loses in this case. You've probably heard this analogy. It's absolutely true. That's right. Just sit there and say nothing. Just wait.

So, essentially you push the offer across the table, and then zip it. **The difference is, however, that the offer is the solution.** You see, when you provide people with solutions... It depends on what their pain is. A lot of times, I like to provide people with three different solutions, to give them some options. If it's in a written format, we'll add that as options 1, 2, and 3, keeping the one that I want to accept as Option 2. That's because, when you do that, psychologically people will usually pick what's in the middle if they are given three choices, statistically speaking.

Remember, we are using the example of a house because that's what business that I am in, but this can be used for anything, really. This could be used for employment, like, "The reason why I'm looking for someone to fill this role is because of A, B, and C." Let's say that you needed a writer, and maybe I am not the exact writer, but I do represent other writers.

Maybe you have an agreement where you manage other writers, like you're a talent scout or whatever. "You can hire me, and my fee is [X amount]. Although I don't have direct experience in this area, I am a writer." That's not the greatest analogy, but let's say you continue by stating, "The guy that you really want, who is an expert at writing about [I don't know] laser widgets, happens to be a freelancer, but I have a relationship with him. I bet there's a way that I can get him to contribute to this article, but maybe not the whole article. Is that something that might work for you?"

"Option C is, we can definitely go make arrangements for his services, but understand that you'll be paying for a dedicated writer, and it's going to cost you \$200,000. So, yes, we can provide you with a solution, but it may not be the price point you want to pay." You see, you give them the options, and then allow them to pick one of the options. All three choices provide them with

a solution, but it's not necessarily the ideal solution. Obviously, there's just one ideal solution, and really only the other party would know what that is.

## **What Should I Do After the Offer is Made?**

At that point, you'll stand by and wait for a decision. You know, there are two schools of thought on this. Some people feel like they need to help that process along. I'm not necessarily in agreement with that. I believe that if you've done the front end, or if you've done the first couple of steps properly (i.e. You've asked your questions, you've engaged, and you understand why behind what they are doing), go ahead and provide the solutions. Then simply stand by and wait for a decision. When the solutions are based on their problem, a decision will come pretty quickly because it's a really easy decision to make.

You see, it's not a general solution, like, "Hey, I know a guy." It's more like, "I know Jim Smith, who is a featured columnist for the United Laser Journal." When you are specific like this, it becomes a completely different conversation. It's laser-focused, which makes it very easy for the other party to make a decision. That's the key, because at the end of the day, we don't want to have to be that guy or that girl that feels like they have to stronghold, or stranglehold, someone into making a decision. We don't really want to be the pushy, salesy type. Nobody enjoys that process. This allows you to be more natural, and more progressive, and things happen more quickly this way.

## **Is It True That There's Always a Winner and a Loser in Any Negotiation?**

I disagree 100%. Every opportunity that's negotiated has to be a win-win, or it just doesn't work out. This was said many, many moons ago. The last time I read it, I think, was in Dale Carnegie's book, *How to Win Friends and Influence People*. In the book, which I don't think he was the originator of this, but it said, "A man convinced against his will is of the same opinion still." That means if you and I are in a negotiation together, and I "win" the negotiation, I really haven't won anything because all I did was get one over on someone.

It's just like the schoolyard bully that just happens to come by and push you in the sandbox, eventually you are going to rise up and take care of that kid, or you are going to ignore him, or whatever. At some point, everyone walks away a loser. You can't have a successful negotiation if you don't have win-win. That's absolutely true, and that does mean that sometimes you do have to compromise your position. In my opinion, it comes down to a mindset of, "Did you lose? No. Did you bend to fit the scenario? Absolutely. Did the other party do the same? Absolutely." I'd call that a win, because both parties walk away with a sense of fulfillment. When you have that fulfillment, I look at that as a victory.

## **Step #3 - The Commitment**

At that point, once you've shut up, the decision should be coming. I think one of the steps that people fail to make is that when they hear the silence, they never actually ask for the sale, or the commitment. If the process is done properly, 80% of the time the decision will be made without having to ask for the commitment. But, when a few minutes go by, and you've got that period of uncomfortable silence, there is that point to where, when a dialog starts back up again, you should go ahead and ask for the sale.

**“Which one of these three things makes the most sense for you and would provide a win-win?”** You might use some variation of that. If you don't ask for the sale, you are simply not going to get it a lot of the time. Some people do need a little bit of help, or a kick start to get them moving. The beauty of providing those three options is that they come away with choices.

It's much better than, “My way or the highway. Take it or leave it.” That's when you've got one option, and the answer is either yes or no. The word “no” is an uncomfortable thing to say, even when you want to say no. That doesn't make it any more comfortable. Nobody wants to be negative, I don't believe. So, when we provide options for maybes and yesses, I think our success ratio is going to be a lot higher.

## **Would You Say That Feeling Things Out is a Big Part of This?**

It is, but I think an even bigger part of it is that, in most cases, at least in my life... And, I've done different things, besides real estate... I've done trucking and all kinds of different things. There's always a follow-up sale at some point down the road, and most sales people, or people in sales-type scenarios, they mess that one up. They either overlook it altogether, or they don't do it properly. They forget about it, thinking, “Oh, we've got this one situation closed and done with,” and then they put it to bed.

They put in a file cabinet somewhere. Maybe it's in that big stack of business cards you have wrapped in a rubber band from all of the networking events you've been to lately. I used to be that guy. That's where it comes into the final step, which really is putting together a system of follow up so that you stay in touch with these people. For me, my chosen method is video email. This is something that I can do very quickly and very efficiently.

I've also got some systems in place where I can record a custom video message to send to you right now. “Hey Daniel! Thanks for having me on the show. I really appreciate it. I had a good time. I hope that I brought a lot of value to your listeners. Oh, and by the way, I wanted to tell you that I have a new product coming out. It's called X, Y, Z. If you are interested in that, click the link below and I'll tell you all about it. Again, thanks a lot. I hope Jenny and the kids are great!” Once I create this, I can just put it out there. I might set my message up on a timer so that it doesn't come out until two weeks, one month, or even six months from now.

This lets people know that you haven't forgotten about them. It continues that sales process after the fact. That's because, at the end of the day, how many people really have a business where you make one sale and then you're done? I don't know of such a business.

With that follow-up, let's not forget the understanding of whatever product you put out there. For example, let's say you're an author, and you put together a book like, *The ONE Thing*, which has a lot of extras that go along with it. One thing (pardon the pun) that the authors have done a great job of is following up with their readers after the fact. They put a call to action right in the book that says, "Go to OneThing.com and register for our [whatever]." They consistently reach out to the people, going, "Hey, we've just discovered this phenomenon about The ONE Thing, and then there's that phenomenon."

Anytime they come out with something new, like now they have a podcast. I can't think of his last name, but Jeff is his first name. He's doing a lot of their marketing and whatnot. That guy is adding a lot of value. He now has that list of people that he can continue communicating with so that people don't forget where they originally had that positive transaction, and now they are customers for life. No matter what, when I get my email from Jeff at "The ONE Thing," I'm like, "Yeah, I know. I had Jay Papasan on my show. I remember that. They are great people, and I hear from them all the time." So, I'm just naturally ready to buy, and I continue to get value from this relationship, even after the fact.

## So, This Lowers Buyer Resistance?

Yeah. It keeps a lead, which probably started out as a cold lead... It became a warm and then a hot lead, and this keeps them at the warm or the hot stage, essentially indefinitely, or as long as you keep up with them. That, for me, is why video email works so well. I'll reach out and say... It's not a mass email. It's, "Hey Daniel! Just checking in." How long does that take? Less than a minute.

## Are Your Video Emails Something That I Can Replicate?

Immediately, you can replicate it. There are two services out there that are most predominant in this space. I'm sure there are a lot of other ones out there, but I've tested and used both of these. They both have their good, bad, and indifferent characteristics. My favorite is [BombBomb.com](http://BombBomb.com). This service is integrated with Gmail. So, it's right there because all of my servers run on Gmail. It's easy for me. Anywhere I go with my devices, I just pop it up, record a video, and off I go.

It imports my mailing list, but even my peer to peer. I send one to my wife sometimes while I'm at the store so that I can ask something like, "Hey Honey! The blue one or the red one? You know I can't pick colors, so here you go." I send her this video email, and then she texts me back, saying, "The one on the left." Great. Awesome.

The second piece is a thing called Loom ([UseLoom.com](http://UseLoom.com)). What I like about them is, number one, it's free. So, for those of you that are just getting started, it is free, but you have to refer somebody else to continue getting things for free. Now, I've got a big database, and I sent one

email to my database, so I don't think I'll have to pay for any of it ever again. But, it's a great service, and it's more for screenshare, or for screen recording, than it is for just the straight video email. It is integrated with Gmail now, but it does have some limitations.

I prefer [BombBomb.com](http://BombBomb.com). It's just one of those things. You get what you pay for, right? BombBomb.com is \$50 a month, I think, which is well worth it, to me. I can tell you, and I'll say it in one sentence. Before utilizing BombBomb.com, my email engagement rate was about 45-48%, on the average. With BombBomb.com, my email engagement rate is 92% static. I don't know anything, besides Messenger bots (which I find highly annoying, by the way), that engages to that degree. My open rate went through the ceiling, but then again, they are custom videos. It's, "Hey Daniel! How are you?" It's not, "Hey [Any Contact]!"

## Final Tips

I just want to reiterate, or if I didn't do a good job, I want to do it now, to truly engage with people. **Be genuine when it comes to finding out what it is that makes them tick or makes them think.** When you understand where someone is coming from, 100% of the time you're going to be very effective in whatever you happen to be doing with them in any type of negotiation. I don't care if it's a job interview, or getting a mortgage or a bank loan, or whatever you are doing.

When you engage with other people, and social media have stripped us from that... We no longer engage with other people, we engage with our timelines. Let's be realistic. So, when we take away the highlight reel, and we engage with other people peer to peer, it's a whole different scenario. Do more of that.

## Connecting with Tyler

The best way to get me is through [CashFlowGuys.com](http://CashFlowGuys.com). Right on the homepage, there's a little text icon. This goes to my team, but if it's something you need to get through to me directly, they will forward it to me instantly. We can reply if you need help with something or you are stuck on something. Everything we have on our YouTube channel and on our podcast is on [CashFlowGuys.com](http://CashFlowGuys.com), so that's the best way to reach out.

## Resources

[BombBomb.com](http://BombBomb.com)

[UseLoom.com](http://UseLoom.com)



# Real Fast Results Community

If you are diggin' on this stuff and really love what we're doing here at Real Fast Results, would you please do me a favor? Head on over to [iTunes](#), and make sure that you subscribe to this show, download it, and rate & review it. That would be an awesome thing.

Of course, we also want to know your results. Please share those results with us at <http://www.realfastresults.com/results>.

As always, go make results happen!