

Selling for Success 3e

SELLING FOR SUCCESS 3E

PSAL 2121

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Nova Scotia Canada



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INTRODUCTION

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The Power of Selling provides background to sales and selling. The contents provide detailed research and practical advice on the steps and strategies to creating and nurturing long term relationships in sales. This is not a quick fix sales book—the focus is developing relationships within the realm of sales. Using a 7-step model, *The Power of Selling* walks the reader through the sales methodology from prospecting to closing. *The Power of Selling* is a traditional textbook with learning outcomes, key takeaways and practical exercises but also, the content has been adapted to reflect current business practices.

Your path to sales starts here.

PART I.

THE POWER TO GET WHAT YOU WANT IN LIFE

Learning Objectives

1. Describe the role of selling in everyday life.
2. Explain the role of selling in the economy.
3. Describe the role of selling in an organization.



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1.1 SELLING IN EVERYDAY LIFE

What does success look like to you?

For most people, to achieve personal success entails more than just making a lot of money. Many would claim that to be successful in a career means to have fulfilled an ongoing goal—one that has been carefully planned according to their interests and passions. Is it your vision to run your own business? Or would you rather pursue a profession in a service organization? Can you see yourself as a senior executive?

Imagine yourself in the role that defines success for you. Undoubtedly, to assume this role requires more than just an initial desire; those who are most successful take many necessary steps over time to become sufficiently qualified for the job presented to them. Think about successful people who do what you want to do. What do they all have in common? Of course, they have all worked hard to get to their current position, and they all have a passion for their job. There is, additionally, a subtler key ingredient for success that they all share; all successful people effectively engage in personal selling, the process of interacting one-on-one with someone to provide information that will influence a purchase or action.¹

CONGRATULATIONS, YOU'RE IN SALES!

If you think personal selling is only for salespeople, think again. Everyone in every occupation uses personal selling (some more effectively than others!). Selling is what makes people successful. We all have to sell our ideas, our points of view, and ourselves every day to all sorts of people—and not just those related to our jobs. For example, when you work on a team project, you have to sell your ideas about how your team should approach the project (or, sometimes more delicately, you will have to persuade others as to what you should do about a lazy team member). When you are with your friends, you have to sell your point of view about which movie you want to see or where you want to go to eat. When you pitch in for a friend's gift, you have to sell your ideas about what gift to give. You are selling every day whether you realize it or not.

Think about the products and services that you buy (and concepts and causes that you believe in) and how selling plays a role in your purchase decision. If you rented an apartment or bought a car, someone sold you on the one you chose. If you read a product review for a new computer online then went into the store to buy it, someone reinforced your decision and sold you the brand and model you bought. If you ran in a 5K race to raise money for a charity, someone sold you on why you should invest your time and your money in that particular cause.

This video highlights how your life depends on selling.



1. Levens. M. (2010). *Marketing: Defined, Explained, Applied*. Pearson Prentice Hall. p.181.

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“I SELL STORIES”

Selling is vital in all aspects of business, just as it is in daily life. Consider Ike Richman, the vice president of public relations for Comcast-Spectacor, who is responsible for the public relations for all NBA and NHL games and hundreds of concerts and events held at the company’s Wachovia Center in Philadelphia. When you ask Ike to describe his job, he replies, “I sell stories.” What he means is that he has to “pitch”— or advertise—his stories (about the games or concerts) to convince the press to cover the events that he is promoting. Therefore, even though he is not in the sales department, his job involves selling. Gary Kopervas, similarly, is the chief creative strategist at Backe Digital Brand Communications. He works in the creative department in an advertising agency, yet he describes his job as “selling ideas,” not creating ads. Connie Pearson-Bernard, the president and founder of Seamless Events, Inc., an event planning company, says she sells experiences. For many of her clients, she also sells time because she and her team execute all the required details to create the perfect event. As you notice, all these people are engaged in selling, even though “sales” may not be included in their respective job descriptions. Clearly, whether you pursue a career in sales or in another discipline, selling is an important component of every job...and everyday life.



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BRAND + SELLING = SUCCESS

What do Ikea, Red Bull, Mini Cooper, and Apple have in common? All four are strong and highly identifiable brands. You might wonder what role a brand name plays in selling strategy. Perhaps it is not always noticeable, but when you buy a Red Bull at the corner store for some extra energy, at that very moment, a specific, chosen brand has become an extremely powerful selling tool, and it has significantly influenced your inclination to purchase *that* particular drink. Selling can only be successful when that thing that you sell has *perceived* value applied to it by the consumer—why Red Bull rather than another caffeine drink? Red Bull must be more effective if a person chooses it rather than the other brand nearby.

A brand is a tool to establish value in the eyes of the customer because it indicates something unique. But a brand is more than that. A great brand has **four key characteristics**:

1. It is **unique**. (Ikea furniture has exclusive, on-trend styling at unbelievable prices.)
2. It is **consistent**. (Red Bull looks and tastes the same no matter where you buy it.)

3. It is **relevant**. (Mini Cooper looks cool and does not use much gas, and you can design your own online.)
4. It has an **emotional connection** with its customers. (An iPhone, with hundreds of personalized qualities, becomes a loved companion.)

A brand is important in selling because it inherently offers something special that the customer values. In addition, people trust brands because they know what they can expect; brands, over time, establish a reputation for their specific and consistent product. If this changes, there could be negative repercussions—for example, what would happen if thousands of Mini Coopers started to break down?

Customers expect a reliable car and would not purchase a Mini if they could not expect performance. Brand names emerge in all different sects of the consumer market—they can represent products, like

PowerBar, or services, like FedEx. Brands can also be places, like Macy's, Amazon.com, or even Las Vegas (everyone knows that what happens in Vegas stays in Vegas!² Brands can be concepts or causes like the CIBC Run for the cure. Brands can also be people, like Lady Gaga, Justin Trudeau, Lily Singh, or John Green.

When products, services, concepts, ideas, and people demonstrate the characteristics of a brand, they are much easier to sell. For example, if you go to McDonald's for lunch, you know you can always get a Big Mac and fries, and you always know it will taste the same whether you go to the McDonald's near campus or one closer to your home. Or if you go to Abercrombie & Fitch, you can expect the store to look and feel the same and carry the same kind of merchandise whether you go to a store in Toronto, New York, or Paris.

The same concept applies to people. Think about your classmates: is there one that is always prepared? They are the one who always does well on tests, participates in class, is a good team player, and gets good grades on assignments. This person has created a brand. Everyone knows that they can count on this person; everyone knows what to expect. Conversely, the same is true for a person who is often times late and sometimes arrives unprepared. You probably would not want to work with that person because you are not sure if that person will hold up their end of the project. Which person is your brand of choice?

THE POWER OF AN EMOTIONAL CONNECTION

Uniqueness (no other fries taste like McDonald's), consistency (a Coke tastes like Coke no matter where you buy it), and relevance (your college bookstore is only relevant on a college campus, not in your local mall) are clear as characteristics of a brand, but the most important characteristic is also the most abstract—the emotional connection it creates with its customers. Some brands create such a strong emotional connection that its customers become brand fans or advocates and actually take on the role of selling the brand by way of referrals, online reviews, user-generated content, and word-of-mouth advertising.

Harley-Davidson measures their customer loyalty by the number of customers who have the

2. Wilder, L. (2017, September 1). The story behind "What happens in Vegas, Stays in Vegas". Culture Trip. Retrieved from <https://theculturetrip.com/north-america/usa/nevada/articles/the-story-behind-what-happens-in-vegas-stays-in-vegas/>

company's logo tattooed on their body.³ These customers are emotionally connected with the brand, which offers unique selling opportunities for Harley-Davidson dealerships. Another example of emotional connection to a brand can be found by examining consumer relationships to sports teams. Fans willingly advertise their favorite team by wearing T-shirts, hats, and even putting decals and bumper stickers on their cars. They attend games (some of which require hours of standing in line) or watch them religiously on television. For popular events, in fact, many times customers are willing to pay more than the face value of tickets to attend. These consumers are emotionally connected to their teams, and they want to be there to support them. A loud, sold-out stadium certainly illustrates why it is easier to sell brands when customers are emotionally connected.

Did you ever consider why the salespeople at Starbucks are called baristas instead of employees? Howard Schultz, the chief executive officer of Starbucks, has built the brand in his vision since the company began in 1982. He believes strongly that the brand stands for more than beans. During an interview, he said, "By making a deeper emotional connection with your customers, your brand will stand out from the hundreds, if not thousands of vendors, entrepreneurs, and business owners selling similar services and products."⁴ Schultz is especially passionate about the role salespeople have in creating the "Starbucks" experience. Schultz developed "an appreciation of the role the *baristas*, or coffee brewers, played in creating a comfortable, stable, and entertaining environment for the company's customers. That appreciation inspired him to develop a company culture — nurtured through promotions, compensation, and feedback mechanisms — that emphasized the importance of keeping employees motivated and content."⁵

The concept of emotional connection is not limited to the brand; it is also an especially critical component in the actual practice of selling. Customers are much more readily persuaded to make a purchase if they develop an emotional connection with the salesperson. If you go to Best Buy to look at a new home theatre system, a helpful (or unhelpful) salesperson can make all the difference in whether you buy a particular system from that particular Best Buy or not. If the salesperson asks questions to understand your needs and develops a good relationship (or emotional connection) with you, it will greatly increase your chances of purchasing the home theatre system from them. In the Starbucks example above, the barista has an important role of connecting with the customer around the brand. Clearly, brands are fundamental building blocks in the selling process. The bottom line is, great brands = great sales.

3. Belch, G., & Belch, M. (2008). *Advertising and Promotion: an integrated marketing and communications perspective*. New York: McGraw-Hill. p.653-654.

4. Gallo, C. (2009, May 19). *How to sell more than a product*. Bloomberg. <https://www.bloomberg.com/news/articles/2009-05-19/how-to-sell-more-than-a-product#xj4y7vzkg>

5. Gulati, R., Huffman, S. & Neilson, G. (2002). *Strategy + Business* (p.28). <https://www.strategy-business.com/article/20534?gko=eb786>

1.2 SELLING: HEARTBEAT OF THE ECONOMY AND THE COMPANY

Look around. Your computer, your car, your jewelry, your eyeglasses, and your cell phone—many of the things you own—were probably sold to you by someone. Now, think about things you *can't* see, like your cell phone service, your Internet service, and your car insurance. Chances are, those services were probably sold to you by someone as well. Now that you think about it, you can see that selling is involved in life in so many ways, but did you ever think about the impact that selling has on the economy?

In the United States alone, almost 16 million people were employed in sales jobs in 2018.¹ This number includes retail salespeople and cashiers, insurance sales agents, real estate brokers and sales agents, and manufacturing sales reps just to name a few. That translates to one in every ten people in the United States having a job in sales.² In Canada, 2.2 million people worked in retail sales alone in 2019 (up from just over 2 million the year before)³ and there were more than 250,000 businesses employing people in sales (retail, real estate, finance, professional services, and so on).⁴

THE INTERNET: POWER TO THE PEOPLE

The Internet has been a game changer for selling in many ways. Just as the Internet expands the reach of a company to virtually anywhere in the world, it also provides customers with access to information, products, and services that they never had before. In some industries, the Internet has virtually eliminated the need for a salesperson. Travel agents are no longer the exclusive providers of reservations and travel plans. Music stores are almost extinct. Newspaper want ads have almost vanished. In other industries, the relationship of the salesperson and customer has changed dramatically. The power has shifted from the seller to the buyer. Take, for example, the auto industry. It used to be that when you wanted to buy a car, you went to a car dealership. The salesperson would show you the cars, take you out on a test drive, and then negotiate the selling price when you were ready to buy, withholding the dealer invoice. Today, customers may e-mail a car dealership to set up an appointment to drive a specific car after they have researched different models of cars including features, benefits, competitive models, editor and customer reviews, competitive pricing, and dealer

1. U.S. Bureau of Labour Statistics. (2019). Employment projections. Retrieved from <https://www.bls.gov/emp/tables/emp-by-detailed-occupation.htm>
2. Ibid.
3. Bedford, E. (2020, January 14). Number of employees in the retail trade industry in Canada 2008-2019. *Statistica*. Retrieved from <https://www-statista-com.libsecure.camosun.bc.ca:2443/statistics/454100/number-of-employees-of-the-retail-trade-industry-canada/>
4. Duffin, E. (2019, February 17) Canada: number of employer businesses by industry as of December 2019. *Statistica*. Retrieved from <https://www-statista-com.libsecure.camosun.bc.ca:2443/statistics/488674/number-of-employer-businesses-in-canada-by-industry/>

invoice pricing. In some cases, the customer may know more than the salesperson.⁵ In a later chapter, we will look at the impact of technology including social media and sales 2.0.

5. McGarvey, R. & Harrison, B. (2010). The human element: how the web brings people together in an integrated selling system. *Selling power*. Retrieved from <https://www.sellingpower.com/2010/02/02/5261/the-human-element-2>

1.3 SALES IS NOT A DEPARTMENT, IT'S A STATE OF MIND

Sold.

It's a deal.

Let's shake on it.

Sign on the dotted line.

You've got the job.

Those are the words that signal success in selling. They seem simple, but according to Gerry Tabio, bringing a sale to fruition is “not just about celebrating the sale; it's about celebrating the growth of the customer.”¹ The most successful companies work to build and sustain relationships with the customer at every touch point, any way in which the company comes in contact with the customer, and considers selling the job of everyone in the organization.

In other words, although there are specific functional departments such as sales, marketing, operations, human resources, finance, and others, everyone in the organization is focused on the customer. This is called a customer-centric organization.²

IT'S ALL ABOUT THE CUSTOMER

Being customer-centric means insisting on accountability. Although everyone is focused on the customer, every employee is part of a department or function. Each department has goals and accountabilities. In a true customer-centric organization, the departments work together to satisfy the needs of the customer and achieve the financial objectives of the company. Most companies have core functions or departments such as sales, customer service (sometimes it is included as part of the sales department), marketing, operations, finance, human resources, product development, procurement, and supply chain management (also called logistics).

Departments such as finance and human resources are called support (or staff) functions since they provide support for those that are on the front lines such as sales and customer service (these departments are also called line functions as they are part of a company's daily operations). In a customer-centric organization, the focus on the customer helps prevent organizational “silos” (i.e., when departments work independently of each other and focus only on their individual goals). The sales department is the heartbeat of every company.

According to *Selling Power Magazine*, the manufacturing and service companies listed on its “Power Selling 500 Report” generate \$4.9 trillion dollars in sales annually³. Yes, trillions. This means that each salesperson supports an average of 12.9 other jobs within the company and that the level of sales that is generated by each salesperson actually pays for the roles in human resources, marketing, operations, and other departments.

1. Tabio, G. (2009, May 15). How to create ideas that sell (para 8). Great Media Philadelphia sales meeting, Philadelphia.
2. Welford, B. (2009). 7 habits of a truly customer-centric selling organization. *SMM internet marketing consultants*. Retrieved from <http://smmbc.ca/blog/2011/10/14/7-habits-of-a-truly-customer-centric-selling-organization/>
3. Selling power. (2020). Selling Power 500 largest sales forces 2019. *Selling Power*. Retrieved from <https://www.sellingpower.com/resources/2019/selling-power-500>

It makes sense that the salespeople fund the operations of the company. After all, it is a salesperson with whom you interact when you buy a Nissan Cube, lip gloss at Sephora, or an interview suit at Macy's. The people in the sales department "ring the cash register" (whether the business has a cash register or not). They are responsible and accountable to deliver sales to generate revenue and profit, which are required to operate and to invest in the company.

IS IT SALES, OR IS IT MARKETING?

So you might be wondering, if the sales department interacts with customers, what exactly does the marketing department do? That is a great question. Some people use the terms in tandem—sales and marketing—to refer to sales. Some people use the terms interchangeably and refer to marketing as sales. It is no wonder that it confuses so many.

According to the American Marketing Association, "marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large."⁴ In other words, it is the role of the marketing department to use the four Ps of the marketing mix (product, place, promotion, and price) to determine the brand message, which is then communicated to customers. Then, the marketing department uses the elements of the promotional mix of advertising, sales promotion, public relations, direct marketing, interactive marketing, and personal selling to get the word out to customers⁵. Marketers seek to motivate prospective customers to purchase by driving them to a Web site, store, phone, event, or another related, desired action. Essentially, marketing builds relationships between customers and the brand. When you see an online ad for Best Buy, get a text message about the new release of James Bond on Blu-ray, call the 800 number to check on your Rewards Zone point balance, post a comment on the Best Buy Facebook page, respond to a tweet from Best Buy on Twitter, see a newspaper insert or an ad on television, or read about the opening of a new store near you, these are all examples of marketing. They are designed to encourage you to engage with the brand and encourage you to take an action—visit the store, go to the Web site, call the 800 number, or tell your friends about the brand.

When you go into the store or visit the Web site, the sales department takes over. A salesperson will speak with you (either in person in the store, online with live chat, or by phone) to determine what you need and to help you make the best decision by communicating product information (*this printer is wireless*), service information (*we can deliver that tomorrow*), warranty information (*it has a 90-day manufacturer warranty*), and other pertinent facts. The salesperson extends the relationship that was established with the marketing contacts and makes a personal connection with you. If you have a good experience, your relationship with Best Buy gets even better, and you are more likely to shop there again and tell your friends.

At times, however, sales and marketing do not play well together. When organizations are not customer-centric, the departments may appear to have separate or conflicting goals. Marketing may feel that sales does not follow up on prospective customers, or perhaps sales feels that the marketing efforts are focused on the wrong customers.

4. AMA. (2007, October). About AMA. American Marketing Association. Retrieved from <https://www.ama.org/about-ama/>

5. Belch, G., & Belch, M. (2008). *Advertising and Promotion: an integrated marketing and communications perspective*. New York: McGraw-Hill, 653-654.

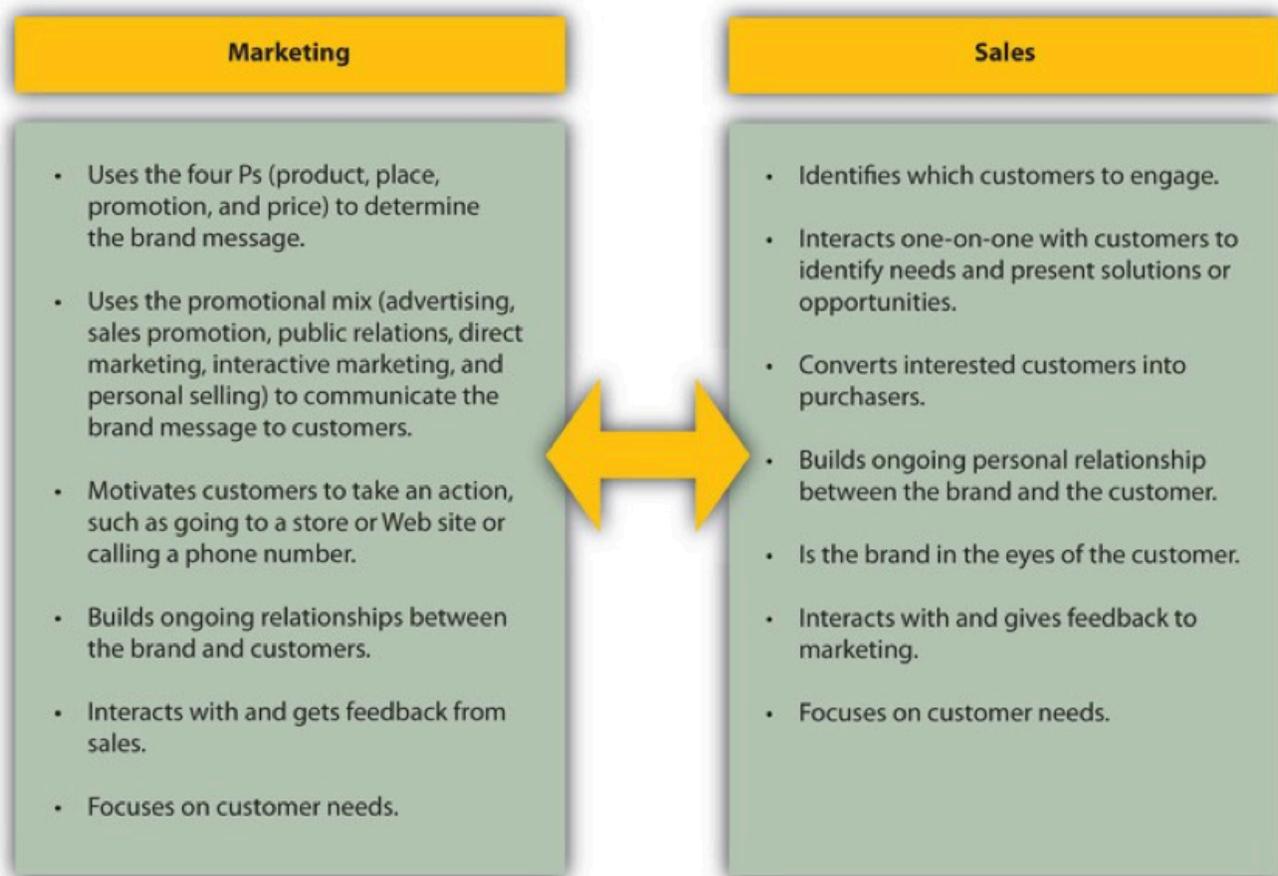


Figure 1.1: Marketing and Sales: How They Work Together [Image Description]

In addition to closing the sale (when the customer purchases the product or service), the salesperson has a very important role in the marketing process. Because the salesperson (in the store, online, or on the phone) is a primary touch point and a personal interaction with the customer, the salesperson *is* the brand in the eyes of the customer. According to Dr. David A. Shore of Harvard University, “The sales force is the most visible manifestation of the brand. Salespeople need to say with a singular voice, ‘This is who we are, and, by extension, this is who we are not.’ The critical element that power brands have is trust, and a sales force needs to become the trusted advisor to the customer.”⁶

So now you can see that marketing and sales work hand-in-hand: one develops the brand and the other assumes the image of the brand. Neither works without the other, and the relationship between the functions must be transparent to the customer. There is only *one brand* in the eyes of the customer, not two departments. When marketing and sales work well together, the customer experience is seamless.

6. Gschwandtner, G. (n.d.). *How Power Brands Sell More* [blog post]. Selling Power. <http://www.sellingpower.com/content/article.php?a=5705>.

1.4 REVIEW AND PRACTICE

POWER WRAP-UP

Now that you have read this chapter, you should be able to understand the role of selling in everyday life, in the economy, and in companies.

- You can **identify** examples of selling in your everyday life.
- You can **describe** the characteristics of a brand.
- You can **compare and contrast** the difference between sales and marketing.
- You can **understand** how to define your personal brand.

Exercises

Test Your Power Knowledge (answers are below)

1. Name three situations in your life in which you use selling.
2. Name the four key characteristics of a brand.
3. Describe what this sentence means: “Each salesperson supports an average of 12.9 other jobs within the company.”
4. Is sales considered a line or a support function? Why?
5. What is the impact of Sales 2.0 on the selling function?
6. Which of the four characteristics of a brand is most important when you are selling your personal brand?
7. What is a customer-centric organization?

POWER (ROLE) PLAY

Now it's time to put what you've learned into practice. The following are two roles that are involved in the same selling situation—one role is the customer, and the other is the salesperson. This will give you the opportunity to think about this selling situation from the point of view of both the customer and the salesperson.

Read each role carefully along with the discussion questions. Then, be prepared to play either of

the roles in class using the concepts covered in this chapter. You may be asked to discuss the roles and do a role-play in groups or individually.

College Admissions: Who Is Selling Whom?

Role: College admissions director

You are the director of admissions at your school. You want to choose only the best candidates for admission for next year's class. The focus of the school is to attract and accept students that demonstrate diversity, academic achievement, life experience, community service, passion for learning, and potential to grow.

You personally meet with each one of the final candidates to determine how they will fit into the culture of the school and help the school meet its objectives. It's something you enjoy doing because it's a chance to put a name with a face and see exactly what makes each student special. You and the other management at the school consider it to be a customer-centric organization.

You are about to meet with a prospective student. You are under some pressure to increase enrollment (after all, the admissions department is really like the sales department in a lot of organizations). You are not sure he's a perfect fit for the school, but you are one of the school's customer contact points so you want to make him feel at ease while you are learning more about him.

- How will you greet this prospective student to make him feel welcome?
- What questions will you ask to learn about his personal brand and determine if he will be a good fit for the school?
- If he is not exactly the right fit for the school, will you admit him anyway because you want to increase admissions? Why or why not?

Role: Prospective student

You are a prospective student at your school. Your grades are good (not outstanding), but you have been involved in the drama club and Spanish club in high school. You don't know what you want to do in life, but you know you want to go to college and get a good job. You are nervous about your interview with the director of admissions because it's your first interview and you don't really know what to expect.

- How will you "sell" yourself to the director of admissions?
- How will you make an emotional connection with the director of admissions?
- What are your three brand positioning points, and how will you use them in this situation?

PUT YOUR POWER TO WORK: SELLING U ACTIVITIES

1. Visit your campus career center in person. (If you don't have a campus career center, visit your library and meet with a librarian.) Meet with one of the staff members to learn about activities, resources, and people that are available to help you with your career search. Learn about the campus career Web site and how to view job postings. Sign up for one of the

upcoming workshops on career searching.

2. Write your personal mission statement. Meet with a professor or advisor to review it and get feedback.
3. Identify your three brand points. Write them down and determine at least two examples of experience that demonstrate each point. Hint: This will become the basis for your résumé and cover letter in the *Selling U* section in Chapter 2 The Power to Choose Your Path: Careers in Sales.

TEST YOUR POWER KNOWLEDGE ANSWERS

1. Getting into the school of your choice, convincing your parents of something, getting the job you want (as well as other situations you may name).
2. The four characteristics of a brand are the fact that it is unique, consistent, and relevant and has an emotional connection with its customers.
3. “Each salesperson supports an average of 12.9 other jobs within the company” means that the level of sales that are generated by each salesperson is enough to fund the salaries and benefits of almost thirteen people in the organization in departments such as human resources, marketing, operations, finance, and others. Without the sales, the company would not be able to pay for the other jobs.
4. Sales is considered a line function because salespeople are part of the daily operations of the company.
5. Sales 2.0 is a term that applies to the ever-changing world of technology, communication, and relationships in selling. The evolution of the Internet has led to a change in the balance of power in the selling process. Now, customers may have more information than a salesperson due to the research they are able to do on Web sites, through communities, and user-generated content. (In other words, both good and bad news travel fast.) Salespeople have to focus on collaboration inside their companies and with their customers to deliver the best solution to meet their customers’ needs.
6. All of the characteristics are important when you are selling your personal brand. It’s important to define your brand by developing the three most important brand points that best describe you.
7. The organizational chart in a customer-centric organization has the customer at the center so that all functions focus on meeting the needs of the customer rather than working in silos.

KEY TAKEAWAYS

- **Personal selling** is a powerful part of everyday life. The selling process can help you get what you want both personally and professionally.
- You are always selling your ideas, your point of view, and yourself in virtually every situation, from class participation to going out with friends.
- In order to understand the selling process, you have to understand **brands**. A brand can be a product, service, concept, cause, location, or even a person. A brand consistently offers value to a customer with something that is unique, consistent, and relevant and creates an emotional connection.
- **Brands** are important in selling because customers trust brands.
- **Sales** is a career opportunity for you to consider; one in ten people in the United States has a job in sales or a sales-related occupation.
- A **customer-centric** organization has the customer as the focal point. You work as a team with all functions in the company to provide products and services that meet customers' needs.
- **Sales** and **marketing** are two distinct but closely related functions. **Sales** converts the customer to a purchaser with one-on-one interaction. **Marketing** determines the brand message and uses the elements of the promotion mix to motivate the customer to take an action. Both work together to build ongoing relationships with customers.

PART II.

CAREERS IN SALES

Learning Objectives

1. Recognize the characteristics required to be successful in a career in sales.
2. Compare the different types of selling channels and selling environments.
3. Understand what you can expect from a career in sales.



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2.1 WHAT DOES IT TAKE TO BE IN SALES?

When Steve Jobs, the CEO of Apple, delivered the commencement address at Stanford University in 2005, he told the story of how he and Steve Wozniak started the now \$32 billion company in a garage in 1976. Jobs said, “I was lucky—I found out what I wanted to do early in life.”¹

He left the Stanford graduates with some personal words of wisdom to think about as they prepared themselves for their careers: “Your work is going to fill a large part of your life, and the only way to be truly satisfied is to do what you believe is great work. And the only way to do great work is to love what you do. If you haven’t found it yet, keep looking. Don’t settle. As with all matters of the heart, you’ll know when you find it.”²

To be successful in sales, and in life, you must love what you do. If you are not passionate about your profession, you will never be the best. This chapter will help you determine whether a career in sales will excite you and make you want to leap out of bed every morning.

ARE YOU BORN TO SELL?

How do you know if sales is your passion or the career of your dreams? The first step is taking this course where you will have an opportunity to learn about sales and put your knowledge to work in real-life situations. After reading this chapter, you will better understand the profession of selling. This chapter includes insights about which personal characteristics and talents are best suited to sales, which industries you might work in, and how you can be successful in the profession. Some people think that successful salespeople are those who have the “gift of gab,” but that’s not really what makes salespeople effective. Although communication and relationship building are valuable skills, just being able to talk to people is not enough to be successful in sales. Consider the following points that make a salesperson successful and see if these are a good match to you and your skills: trust building, listening skills, questioning, willingness to learn, drive, positive attitude, risk taker, independence, passion, order taker, discipline, flexibility, and creating value.

ABILITY TO BUILD TRUST

It never goes without saying that character—the combination of your beliefs, tendencies, and actions that you take—is the single defining trait for a salesperson (or any business person, for that matter).³ Your character defines how you will conduct yourself, and it is the yardstick by which customers measure you. After all, your customers are spending their money based on what you say you will deliver; they have to trust you. If you ever break the trust for any reason, you will likely lose not only the sale, but you will most likely lose your reputation, and, ultimately, your livelihood. According

1. Steve Jobs, “You’ve Got to Find What You Love,” commencement address at Stanford University, Palo Alto, CA, June 12, 2005, in *Stanford Report*, June 14, 2005, <http://news.stanford.edu/news/2005/june15/jobs-061505.html> (accessed June 16, 2009).
2. “Steve Jobs, “You’ve Got to Find What You Love,” commencement address at Stanford University, Palo Alto, CA, June 12, 2005, in *Stanford Report*, June 14, 2005, <http://news.stanford.edu/news/2005/june15/jobs-061505.html> (accessed June 16, 2009).
3. Dave Kahle, “The Four Characteristics of Successful Salespeople,” *Industrial Distribution* 97, no. 4 (April 2008): 54

to a survey by Forrester Research, *trust and believability* are so important in the buying and selling processes that 71 percent of buyers based their decisions on these traits⁴ and 90% of companies say they will only buy from other companies that they trust (McConnachie, 2017).

LISTENING SKILLS

Contrary to popular belief, speaking is not the most important aspect of selling—listening is, because “salespeople are communicators, not manipulators.” (Porter, 2008). It is interesting to note that many of the salespeople who are constantly talking are actually not successful.



Enterprise logo

Those salespeople who have a genuine interest in listening learn precisely what the customers’ needs, priorities, and opportunities are. Listening skills are the fundamental basis for forming a connection. “Listening builds relationships,” according to Marjorie Brody, author of *Help! Was That a Career-Limiting Move?* She suggests a “silent solution” to many problems in the form of listening (Holland & Brody, 2005). The challenge for many people is that listening with undivided attention is hard to do. Psychologists say that we listen using only 25 percent of our brain (Atlas, 2010). That means that the other 75 percent is thinking about a response or thinking about something else. Salespeople who take notes, refer to written material, and are intently aware of their nonverbal cues can be extremely successful because they see and hear things that people who are talking just cannot absorb (Atlas, 2010). Andy Taylor, CEO of Enterprise care rental, says his salespeople are successful because “*the people who are the most successful are the one who listed most closely to the customer. We follow the two ears, one mouth rule here*” (10 questions for Andy Taylor, 2007, para 3).

THE ABILITY TO ASK THE RIGHT QUESTIONS

Einstein said, “If I had an hour to solve a problem and my life depended on it, I would use the first fifty-five minutes to formulate the right question because as soon as I had identified the right question, I knew I could solve the problem in less than five minutes.” (Michael, 2009). This demonstrates the power of asking the *right* questions. Those questions can only be asked when you listen and have the ability to connect. (*Question types are covered in a later chapter.*)

THE WILLINGNESS TO LEARN

Salespeople must not only have product knowledge and understand the buying and selling process; they must also learn skills that will make them more effective and efficient as salespeople. Financial skills, negotiating skills, and even speed-reading courses were mentioned as additional training needs in sales (Tanner, 2008). It is important to note that besides constantly learning new skills, salespeople have to be students of the business. Skills and abilities are developed and fine-tuned over time, and experience plays a role in the learning process. Therefore, it makes sense that salespeople are not “made” simply because they have the title just like a Doctor is not a doctor without 7 years of schooling or a teacher without 4 years of studying or a mechanic without their trades training. Harvard Business Review (2011) indicates that some people may be more “natural” at sales but being successful in sales requires persistence, time, hard work, etc. (Martin, 2011). If you are thinking about pursuing

4. Robert W. Bly, “Everyone Loves a Story,” *Target Marketing* 32, no. 6 (June 2009): 23.

a career in sales, keep in mind that like other professions it takes time, training, and experience to be successful.

THE DRIVE TO SUCCEED

You cannot be successful if you do not set goals. Great salespeople set goals for themselves, achieve them, and celebrate those achievements. They visualize what they want, then put together a plan to get it (Atlas, 2010). The drive to succeed is important not only in sales, but also in life. Consider Olympic swimmer Michael Phelps. He set out to do something that no one else had ever done: win eight Olympic gold medals. It is instructive to look at his drive to succeed and what he did to prepare for and achieve his goals.

RESILIENCE AND A POSITIVE ATTITUDE

It is important to remember that you will hear “no” more frequently than you hear “Yes, I’ll take it.” That challenge, however, is offset by the thrill of victory when the sale is made and a relationship with the customer based on trust is built. You can only succeed when you go the extra mile, by investigating one

more lead, going back for the second sales call even when the first hasn’t been successful, and trial closing even if you are not sure you can really get the sale (Kahle, 2016). It’s the eternal optimism that pushes you, even when others might think there is no reason to pursue the sale. If you think you can make it happen, you should definitely be in sales.

THE WILLINGNESS TO TAKE RISKS

Has anyone ever told you, “You won’t know until you try”? That statement is especially true in sales. You can set yourself apart by taking smart business risks. Think about how you consider taking risks in everyday life and how they pay off. For example, let us say you are from a small town and you chose to go to a college in a big city because you wanted to experience something new. That was a risk; it took you outside your comfort zone, but if you had not taken the risk, you would have never known what life in a big city was like. Great salespeople go beyond the norm to explore and test the waters. Taking calculated risks will bring you closer to making or closing sales (note the emphasis on calculated—risks that are studied a little before taking like calling an executive you have not yet met or making a presentation to a huge audience of potential customers) (Beals, 2017). Calculated risks are risks taken that limit potential losses and that can mean the difference between success and failure as Entrepreneur magazine points out “*calculated risk-takers might not play a game of roulette, because the odds are against them, yet they might be open to playing blackjack because it’s possible in that game to tip the odds in your favour through strategic play*” (Johannson, 2018, para 6).



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THE ABILITY TO ASK FOR AN ORDER

It may sound intuitive that successful salespeople should not be afraid to ask for a customer's order, but you would be surprised at how often it happens. Most customers *want* you to ask for their order. "Would you like fries with your hamburger?" "What can I get you for dessert?" and "Would you like to pay with credit or debit?" are all examples of salespeople asking for the order. A large percentage of the time these salespeople are successful and meet their customers' needs at the same time. You reduce your chances of being successful if you do not ask for the order (Porter, 2008). In other words, if *you* do not ask for the order, someone else *will*.

INDEPENDENCE AND DISCIPLINE

Most sales positions require independence, self-motivation, and discipline. Although these traits may seem contradictory, they are actually complementary. Independence is especially important if you are calling on customers in person. It usually requires travel, either locally by car or by plane, which means that you have to be able to manage your time without being told what to do. In fact, it means that you set your schedule and do what you need to do to meet your sales goals but having this kind of independence requires discipline and self-discipline is considered essential for successful sales. "*Self-discipline is the difference between success and failure...and in sales, it is what separates the great from the mediocre*" according to Anthony Iannarino, a multi-book writer on the success of sales.⁵

FLEXIBILITY

Along with the need for independence comes the importance of flexibility. Just as you are able to set your own schedule, you have to be flexible based on your customers' needs. Most sales positions are not nine- to-five jobs. That means you might be working nights or weekends, or you might be traveling out of town during the week or even long periods, especially if you are selling internationally. You have to be available when your customers want to buy. Before you cringe at the prospect of grueling hours and long flights, remember that this kind of schedule may also work to your advantage. You may have some weekdays off, which allow you to enjoy family, sports, or other outings that you might not otherwise have an opportunity to enjoy.

PASSION

If you are not passionate about what you are selling, how do you expect your customers to believe in you and your product? You have to love what you do, believe in it, and feel passionately about it. Passion encompasses all the traits mentioned above; it is how they all come together. Passion is the element that sets you apart from other salespeople and makes your prospects and customers believe in you and your product or service. See why Selena Cuff, head of Heritage Link Brands, thinks passion is what makes a great salesperson. "*I look for passion for the product and I don't think that's something that you can fake. As a salesperson, you are up against a lot of no's, a lot of reasons people can't take the product, and you have to convince them. You can't do that in a slimy way. You can't fulfill that need if it's just about the*

5. Kinni, T. (2017, July 14). Want to be a great salesperson, start practicing this number 1 crucial skill. Inc. 5000. Retrieved from <https://www.inc.com/theodore-kinni/wanna-be-a-great-salesperson-start-practicing-this.html>

money or meeting the numbers. Passion is what creates the ability to meet your customers' needs on the scene and get the sale."⁶

Mark Bozzini, CEO of Infinite Spirits, learned a powerful selling lesson early in his career. His job was to sell more bottles of wine than were sold the previous year, which seemed easy enough but when he called on a wine and spirits retailer, the storeowner told him that his products didn't sell and he would rather not have them on his shelves. So much for selling more bottles of wine. An average salesperson might become pushy, or even leave and seek a sale elsewhere but Bozzini, an intuitive and passionate salesperson, was determined to make the sale. He spent an hour rearranging the store display and asked the storeowner to give it a chance to see if the product sold better. The new display worked, and the storeowner became one of Bozzini's best customers. The moral of the story: always remember, "the customer doesn't care about your stuff. They care about *their* stuff."⁷ Bozzini showed passion, resilience, creativity and flexibility—all traits that help salespeople with success.

CREATING VALUE

The role of a salesperson can be summed up in one sentence: "Salespeople are value creators."⁸ To further describe what this means, think about a recent visit to the Apple Store. If you go to the store at virtually any hour, it is filled with customers. The salespeople are not just those that are pushing a product, hoping that you buy so that they make their sales quota. They are experts who know everything about the products in the store whether they be MacBooks, iPads, or iPhones. The salespeople engage you in dialogue, listen, and learn about what you are looking for. They ask questions like, "What do you do with the photos you take? Do you like to make videos? Do you want to easily access the Web from your phone?" No techno-talk, no slick sales pitches. They just want to know what is important to you so that they can let you try the product that not only fits your basic computing needs, but also blows you away. Apple and its sales team know that computers are complicated and can baffle even savvy users. To build trust and confidence with their customers, they developed the "Genius Bar" so that Apple users know that they can always talk to an individual and find help with any problem or question they may have. In fact, Apple dedicates a section of their Web site to the Genius Bar and invites customers to make an appointment online to come to a store to talk to one of the "resident Geniuses." Talk about creating value. As a result, Apple is able to charge a premium for its product and generate such demand that in some cases people are lined up to buy their products, as was the case for the launch of the iPhone 11 Pro in 2019.⁹

6. What makes a good salesperson. (n.d.). Inc. Retrieved from <https://www.inc.com/ss/what-makes-great-salesperson>

7. Muoio, A. (2007, December 18). Sales School. Fast Company. Retrieved from <http://www.fastcompany.com/magazine/19/one.html?page=0%2C2>

8. Tanner, J., Fournier, C., Wise, J., Hollet, S. & Poujol, J. (2008). Executives' perspectives of the changing role of the sales profession: View from France, the Unites States, and Mexico. *Journal of Business and Industrial marketing*, 23(3), 193.

9. Van Boom, D. (2019, September 25). Apple fiends still line up for their product launches. C/net. Retrieved from <https://www.cnet.com/news/apple-fiends-still-line-up-for-iphone-launches-good-for-them/>

WHAT WILL YOU BE DOING?

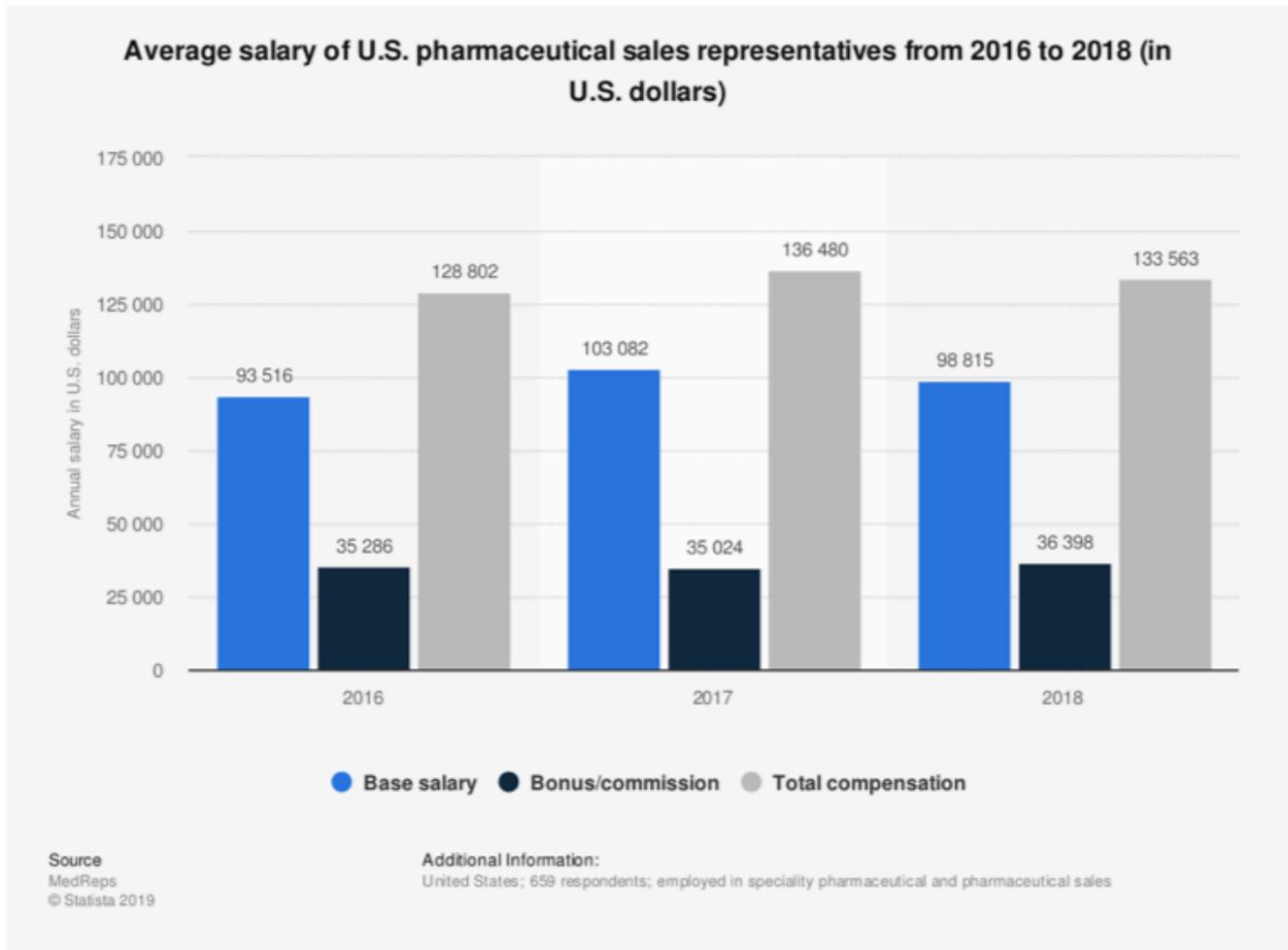
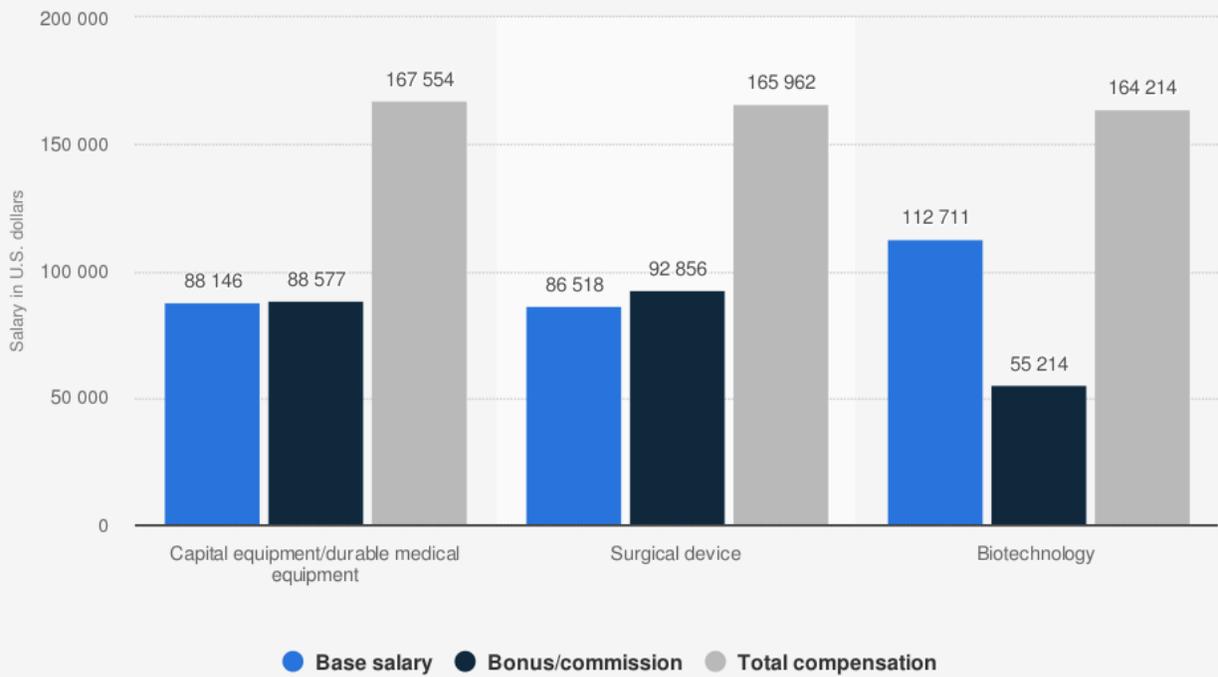


Fig. 2.1 Average salary of U.S. pharmaceutical sales representatives from 2016 to 2018 in U.S. dollars. Credit: Mikulic, M. (2023, March 23). Statista. <https://www.statista.com/statistics/967423/pharmaceutical-sales-salaries-us/> [Image Long Description]

The life of a salesperson is never dull. You could be working with a single customer or with multiple customers. You might work in a corporate office, or you might work from your home. You might talk to customers via phone, live chat, instant message, and text, or you might meet with them in their office in your neighbourhood, your region, or anywhere around the world. You might be working on research to identify new customers, preparing a presentation for a new or existing customer, meeting with customers' face-to-face, following up to get contracts signed, or communicating inside your organization to be sure all goes well to deliver the product or service to the customer on time and on budget. On any given day, you might be working on any number of activities to support an existing customer or to approach, present, or close a new customer. Finally, sales jobs can be financially rewarding. According to Indeed job postings, sales executive jobs start around \$62,000 a year whereas pharmaceutical representatives made an average of \$130,00 in 2018 (Mikulic, 2019, a sales representatives for biotech or surgical devices made over \$ 164,00.00.¹⁰

10. MedReps. (June 4, 2019). Average annual salaries among biotech sales representatives in the U.S. from 2016 to 2019 (in U.S. dollars) [Graph]. In Statista. Retrieved May 12, 2020, from <https://www-statista-com.libsecure.camosun.bc.ca:2443/statistics/967378/biotech-sales-representative-salaries-us/>

Average annual salary of top earners in the medical sales industry in the U.S. in 2018, by segment (in U.S. dollars)



Source
MedReps
© Statista 2019

Additional Information:
United States; base: 2,793; employed in medical sales

Figure 2.2: Average annual salary of top earners in the medical sales industry in the U.S. Credit: Mikulic, M. (2019, September 2). Salary of top medical sales workers in the U.S. in 2018, by segment. Statista. <https://www.statista.com/statistics/967423/pharmaceutical-sales-salaries-us/> [[Image Long Description](#)]

2.2 SALES CHANNELS AND ENVIRONMENTS

WHERE YOU CAN PUT YOUR SELLING SKILLS TO WORK

If you had an accident and broke your leg, you would go to an orthopaedic surgeon to have a cast put on it. However, if you had a skin rash you would go to a dermatologist to get relief and clear up the rash. Several doctors may have a role in helping you manage your health, so it makes sense that not all doctors conduct the same procedures. Just as doctors play different roles in the health care field, the same is true for salespeople in the business arena. Different people perform different functions in the selling process.

IS IT B2B OR B2C?

There are two major distribution channels, or organizations or group of organizations involved in the process of making products and services available to customers in which personal selling is conducted.¹ Personal selling involves communication between a customer and a salesperson with the intention of providing information for the customer to make a buying decision. Business-to-business (also referred to as B2B) is when businesses sell products or services to other businesses for consumption by the ultimate consumer.

For example, Epson sells printers to Staples and makes them to the specifications determined by Staples or Levis sells to the Bay or other big box stores certain types of their jeans specific to that big box store (you can only get those product lines in those stores). Other examples of B2B selling include parts or ingredients, such as when Intel sells computer chips to Toshiba to manufacture laptop computers or when a fabric company sells cotton fabric to Gap to make their T-shirts. Many B2B companies, such as Intel, have branded their products so that consumers quickly identify these products even though the products are only sold to businesses.

On the other hand, the transactions in which you as a consumer participate are business-to-consumer (also called B2C), which means that a company is selling a product or service directly to you as the ultimate consumer. In the example above, when Staples sell the Epson printers to consumers, it is B2C personal selling. Other examples of B2C selling include a waiter taking your order at a restaurant, a salesperson helping you find jeans in your size at American Eagle Outfitters, or a real estate agent showing you a house.

Some companies engage in both B2B and B2C selling, such as Staples, FedEx, Microsoft, Costco and Geek Squad, since they serve business customers as well as the ultimate consumer. Many manufacturers such as Dove, Coke, and Oscar Meyer do not actually participate in B2C personal selling, but these brands use B2C marketing to make consumers aware of their brands. Meanwhile, their B2B personal selling organizations focus on selling these products to retailers such as Safeway, CVS, and Sam's Club (i.e., their customers), which in turn, sell their products in B2C channels to consumers like you.

There are some important differences between B2B and B2C selling. B2B selling engages with

1. Weitz, B.A., Castleberry, S. B. and Tanner, J. F. (2008). *Selling: Building Partnerships* (7th ed). McGraw-Hill Irwin. p.10.

fewer customers (which makes sense because there are fewer businesses than there are consumers). At the same time, however, B2B selling involves much larger purchases. Companies purchase parts, ingredients, or supplies to service many consumers, while consumers only purchase a product or service for their own consumption or that of their family and friends. Since B2B purchases are larger in value than consumer purchases, the selling process is usually longer. This is because of the size of the purchase, and in many companies, there are multiple people involved in the purchasing decision.

Table 2.1: Business-to-Business versus Business-to-Consumer

Business to Business (B2B)	Business to Consumer (B3C)
Usually a larger geographical area	Usually a more compact sales area (unless strictly online sales)
Dealing with multiple buying organizations and buyers	Dealing directly with purchaser or user
Need to understand the customer’s business and application to the product or service	Usually easier to understand how or why the customer buys product
Likely to have a longer sales lead time or sale cycle	Shorter lead time or even immediate decisions
Might have to sell to a buying team	Usually sell directly to one purchaser or user
Relatively large purchase	Relatively small purchase size or amount (single or family use)

TYPES OF B2B AND B2C SELLING

When you go to McDonald’s and a salesperson asks you if you want fries with your order, there is not much involved on the part of the salesperson. In fact, you may not have even considered the person who took your order to be a salesperson. This selling situation matches the needs of the buyer efficiently with the operation, but it does not require a personal relationship or detailed product information to consummate the sale,² The product or service is of low dollar value and no additional contact is required for the sale. This is called transactional selling, and it occurs in B2C situations like this one, as well as B2B situations.³

On the other hand, consultative selling, also called relationship selling, takes place when there is a long- term or ongoing relationship between the customer and the seller, and the salesperson takes on the task of truly understanding the customers’ needs and providing solutions to meet those needs. In this type of selling situation, adaptive selling takes place. This occurs when a salesperson changes selling behaviour during a customer call to improve the exchange or outcome.⁴ A consultant salesperson brings a personal connection to solving problems for their customers through active listening.⁵

Consultative selling takes place in both B2B and B2C environments. For example, if you were

2. Manning, G. L., Reece, B.L. and Ahearne, M. (2009). *Selling Today: Creating Customer Value* (11th ed) p.10. Pearson Prentice Hall.

3. Futrell, C.M. (2008). *Fundamentals of Selling: Customers for Life through Service* (10th ed). McGraw-Hill Irwin p. 55.

4. Manning, G. L., Reece, B.L. and Ahearne, M. (2009). *Selling Today: Creating Customer Value* (11th ed) p.55. Pearson Prentice Hall.

5. Quain, S. (2018, November 8). 4 types of salespeople. Chron. <https://smallbusiness.chron.com/4-types-salespeople-33679.html>

working with a financial advisor to develop a retirement plan, the advisor would be consulting you on the best ways to save and how to best invest your money. They would adapt to your needs based on your feedback. If you told them, “I don’t want to be in such high-risk investments,” this would prompt them to adapt their selling behaviour to better match your needs. In some cases, the selling relationship goes beyond consultative selling and establishes a true method for mutual benefit; this is called a strategic alliance. In this situation, sellers and buyers work together, to develop opportunities and points of difference that would not exist without the relationship.⁶

This type of relationship is usually found in B2B environments because a strategic alliance typically involves two companies that have something to gain by each taking an appropriate risk. For example, before introducing the iPhone, Apple contracted AT&T to be the exclusive service provider. Each company had something to contribute to the relationship, and each one had something to gain. In this case, AT&T pays Apple for each new customer it receives. Apple increases its revenues, and AT&T gains new customers. Both companies had to invest in research and development to make the relationship happen. Both companies “had skin in the game,” so both worked hard to ensure success through public relations, advertising, personal selling, and follow-up customer service. As a result, the relationship has been extremely successful for both parties, as a strategic alliance should be.⁷

It is important to note that not all strategic alliances are exclusive deals like the iPhone with AT&T, which eventually expanded and became non-exclusive. In terms of customer satisfaction with sales, it varies by industry. Looking at Customer Satisfaction Benchmarks from 2019, Government had the lowest satisfaction scores (66.7%) by consumers! (Benchmarks by sector, 2020). Is it safe to say we do not form a relationship with our government service providers?

IS IT INSIDE OR OUTSIDE SALES? FOCUS ON THE RELATIONSHIP.

What is the difference between the salesperson with whom you live-chat on BestBuy.com and the person you talk to in the store? Although both are salespeople for Best Buy, the person with whom you conducted live chat is considered an inside salesperson; the salesperson you spoke with in the store is considered an outside salesperson. Inside salespeople rarely, if ever, meet face-to-face with customers, whereas outside salespeople communicate with customers in a variety of ways, including in-person meetings.⁸

For many B2B and B2C companies, the outside salespeople are generally the primary drivers of sales and costs of sales, since the outside salespeople travel to meet in person with customers to learn more about their needs, build relationships, and provide consultation and solutions. Inside salespeople usually perform more tactical selling functions such as providing product information (as in the Best Buy example above), following up on details, and keeping the customer informed of basic information.

Companies have traditionally used inside salespeople because they are part of a strategy that helps keep selling costs low. Today, many companies are converting outside salespeople to inside salespeople. Advances in technology are blurring the lines between inside and outside salespeople by providing platforms for inside salespeople to be more collaborative and consultative with tools such as video conferences, Webinars, wikis, and more. Traditional thinking is changing, as:

6. Weitz, B.A., Castleberry, S. B. and Tanner, J. F. (2008). *Selling: Building Partnerships* (7th ed). McGraw-Hill Irwin. p.36.

7. Cauley, L. (2008, July 31). AT&T: We’re All About Wireless. *USA Today*. http://www.usatoday.com/tech/wireless/phones/2008-07-31-att-iphone-stephenson-apple_N.htm?csp=34

8. Levens, M. (2010). *Marketing: Defined, explained, applied*. Pearson Prentice Hall. p. 184.

“inside sales are growing 15 times faster than outside sales, mostly due to convenience. That’s 7.5% annual growth versus outside sales’ 5%. However, outside sales reps earn 12 to 18% more than inside sales reps, with field reps’ salaries topping \$65,000 a year compared to inside sales reps’ \$50,000.”⁹

As more companies leverage technology and think differently about customer relationships, the concept of inside and outside salespeople will evolve around the most mutually efficient and beneficial customer relationships, rather than the physical location of the salespeople.

9. Goldman, M. (2020). What is the difference between outside sales and inside sales? Tenfold. <https://www.tenfold.com/sales-coaching/difference-outside-sales-inside-sales/>

2.3 WHAT KIND OF JOB CAN I GET IN SALES?

You have the power to choose your career. Do you want to travel across the country or around the world to meet with customers, understand their needs, and develop new business opportunities for your company? Or would you rather be a technical specialist, or a subject matter expert, and talk to customers about exactly how your product or service works? No matter what you want to do, chances are there is a sales role that you will enjoy. It is important to understand the different industries as *“the skills to work in either (B2B or B2C) industries are quite different and moving between the two can be difficult so it’s well worth doing some research up front to ensure you make the right choice.”*¹

The main differences are that the majority of B2B sales jobs tend to be technical with complex products or services (hospital medical equipment or industrial car parts for example). The complexity of B2B sales jobs usually means that sales professionals in B2B tend to earn a higher income than B2C sales people and this is often justified with the requirement for more education or training with a B2B sales job.²

Lastly, *“When choosing between a career in B2B or B2C sales comes down to where the sales person feels most passionate and where they can achieve the most fulfilment. Professionals who enjoy dealing with people on a professional level will do well in a B2B sale environment. Professionals who are typically a “people persons” would flourish dealing directly with people in a B2C environment.”*³

DIRECT SELLING

You may have been invited to a “party” at a friend’s or relatives’ house to see the new line of Nutrilite Ocean Essentials vitamins and supplements. You have heard good things about the products from your friend. You did not realize that Nutrilite also made sports drinks and energy bars. You have a great time trying the products and talking to everyone at the party, so you decide to try the Nutrilite ROC 20 Antioxidant Enhanced Drink Mix, and you order it in three flavors. You just experienced the direct selling process, *“the sale of a consumer product or service away from a fixed retail location.”*⁴ Some of the most well-known direct selling companies are Amway, Mary Kay Cosmetics, Avon, and Pampered Chef. There were over 19 million people in the United States who sell products or services via direct selling in 2019,⁵ which is four times more than twenty years ago. It is an industry that employs many sales people! In Canada, there were 1.2 million independent sales consultants with \$3.5 billion in annual sales (yes, billions).⁶

What makes direct selling so appealing is the fact that you can run your own business using the

1. Walters, R. (2020). *B2B vs B2C sales jobs*. <https://www.robertwalters.cn/career-advice/B2B-vs-B2C-sales-jobs.html>

2. Walters, R. (2020). *B2B vs B2C sales jobs*. <https://www.robertwalters.cn/career-advice/B2B-vs-B2C-sales-jobs.html>

3. Walters, R. (2020). *B2B vs B2C sales jobs* (para 8). <https://www.robertwalters.cn/career-advice/B2B-vs-B2C-sales-jobs.html>

4. Direct selling association. (2009). *About direct selling*. <http://www.dsa.org/aboutselling/what>

5. Selling Power. (October 1, 2019). Number of salespeople of the leading direct sales companies in the United States in 2019 (in 1,000’s) [Graph]. In *Statista*. <https://www-statista-com.libsecure.camosun.bc.ca:2443/statistics/961810/number-of-salespeople-of-the-leading-direct-sales-companies-us/>

6. Direct Sales Association. (2020). *Industry statistics*. <https://www.dsa.ca/industry-statistics-and-research/>

power of an established brand name and without the costs of manufacturing or providing the product or service? More important, you are your own boss. Although direct selling usually requires an initial purchase of products or services, called starting inventory, many direct sellers have been able to supplement their incomes and in some cases make it their full-time job, earning more than six figures a year. Given the opportunities, you probably are not surprised to learn that direct selling is growing because of the uncertain job market. Recent graduates, retirees, and everyone in between are turning to direct selling as a way to safeguard them during the recession. It is attractive because those who sell or distribute the products (also called independent business owners [IBOs]) make a percentage on the products they sell.

But direct selling isn't lucrative for everyone. Not all IBOs maintain their focus and develop their network. It is hard work running your own business. It takes time, discipline, effort, focus, and passion. Many direct selling companies engage in network marketing, also called multilevel marketing (MLM), which allows IBOs to invite other people to sell the products and earn money based on the sales of those they recruited. If you think about the concept of social networking on Web sites such as Facebook, it is easy to understand MLM. You can expand your network of contacts simply by tapping into the network of your friends; MLM operates on the same principle.

If you sell to your friends and they sell to their friends, your opportunity to earn money expands significantly with every contact. So if you were an IBO for The Body Shop and you recruited your friend Alex to be an IBO, and they recruited their friend Devon to be an IBO, you would not only make commission on your product sales, but also on the product sales of Alex and Devon. You can see how being a part of an MLM company can offer significant earning potential (multi-level marketing, 2009). Unfortunately, there have been some unscrupulous people involved in the MLM business, and some have created pyramid schemes in which many people have lost money. The concept of MLM sales will be explored further in the chapter on ethics.

You have now seen how B2B, B2C, and direct selling work. Still, there are some other selling environments that you may also want to explore.

ENTREPRENEURIAL SELLING

Martha Stewart (Martha Stewart Living Omnimedia), Mark Zuckerberg (Facebook), and Jeff Bezos (Amazon) each had a unique idea for a product or service. And while good ideas are key to building a business, what ultimately made each of these people successful was their ability to sell their idea to their customers and to their investors. If you have the passion and vision to start your own business, you will need selling skills no matter what business you decide to create. Being an entrepreneur can be exhilarating, invigorating, and exciting, but it can also be challenging, time-consuming, and frustrating. That is why successful entrepreneurs, like successful salespeople, plan, do their homework, listen to customers, and make ideas and solutions come alive. It is no surprise that the traits of a successful salesperson discussed earlier in this chapter are the same traits that are required of an entrepreneur. Just like the different types of sales positions covered previously, there are virtually unlimited types of businesses that can be started by entrepreneurs.

NONPROFIT SELLING

Nonprofit organizations are those that use their proceeds to reinvest in the cause and are granted

“tax- exempt” status from federal and other taxes.⁷ In May, 2020, Idealist (a nonprofit job and volunteer portal) had over 135,000 charities in North America looking to hire and Work for Good (job board for mission driven careers) has matched candidates with more than 30,000 organizations. There is work in the non-profit arena for mission driven folk.

You might be wondering what selling has to do with nonprofit organizations. The fact is that fundraising and the development of endowments are actually the lifeblood of nonprofit organizations. Your school may have a director of alumni relations and development. This is the person who secures donations for the continued development of the school and facilities; for example, if your school needs a new athletic facility or classroom building, much of the funding would likely come through the alumni office. Just like for-profit businesses, selling is the engine of nonprofit organizations as well. If you have a passion for a particular cause, such as the green movement, breast cancer, literacy, or education, among others, and want to focus on making a contribution by choosing a career in the nonprofit sector, you can find selling opportunities at many organizations. Although you may want to volunteer for some organizations before you make a career choice, there are paying career fundraising and development positions in the nonprofit sector.

7. McNamara, C. (n.d.). How to start a nonprofit. *Free management library*. <https://managementhelp.org/startingorganizations/start-nonprofit.htm#anchor123456>

2.4 REVIEW AND PRACTICE

POWER WRAP-UP

Learning Objectives

Now that you have read this chapter, you should be able to understand the following opportunities that are available for a career in selling.

- You can **understand** what traits it takes to be a successful salesperson.
- You can **describe** the difference between business-to-business and business-to-consumer selling.
- You can **discuss** other selling environments such as direct, entrepreneurial, global, and nonprofit selling.
- You can **create** your résumé and cover letter so they quickly tell your brand story and focus on the value you can bring to a prospective employer.

Exercises

Test Your Power Knowledge (answers are below)

1. Name at least four of the traits of successful salespeople that are discussed in the chapter.
2. What is WII-FM, and what role does it have in a career in selling?
3. What does pay-for-performance mean in selling?
4. Which is better, a job that pays more or a job that you enjoy?
5. Identify whether each of the following is a B2B or a B2C selling channel:
 1. ____ Selling a fence to a dog-training company.
 2. ____ Selling business cards to a small business owner.
 3. ____ Selling food to a school for the cafeteria.
 4. ____ Selling energy drinks to spectators at a race.
6. Are there selling opportunities in a nonprofit organization?
7. What are the foundation of your résumé and cover letter?

POWER (ROLE) PLAY

Now it's time to put what you've learned into practice. The following are two roles that are involved in the same selling situation—one role is the customer, and the other is the salesperson. This will give you the opportunity to think about this selling situation from the point of view of both the customer and the salesperson.

Read each role carefully along with the discussion questions. Then, be prepared to play either of the roles in class using the concepts covered in this chapter. You may be asked to discuss the roles and do a role-play in groups or individually.

Trust Me?

Role: Seller of a home

You are the owner of a four-bedroom home in a very nice part of town. The home has a spectacular view and impeccable landscaping. It is decorated so well that everyone who comes over wishes his or her house could look like yours. You and your spouse have decided that you want to sell your home even though the market is soft. You think you have found the real estate agent with whom you want to list the house. You want to get top dollar for your home.

- What characteristics will you look for when you choose a real estate agent?
- What role do you have to help ensure a successful sale of your home?
- Is this a B2B or B2C sale?

Role: Real estate agent

You are a seasoned real estate agent with a loyal clientele in this part of town. You have a track record of selling very expensive homes and reaping the benefits. You have done very well because of your referral business. But lately, the soft economy has taken its toll on your sales. You believe that keeping the prices as low as possible will attract new buyers.

- Is this a B2B or B2C sale?
- If you are the real estate agent, how would you approach the sellers to get the listing at the price you want?
- What characteristics does the real estate agent need to be successful?
- What characteristics do the sellers need to be successful?

Exercises: Put Your Power to Work

1. Follow the five steps in the chapter to create your résumé. Review your résumé with someone at the campus career center, a professor, a parent, or a mentor and get feedback as to how you might refine and improve it.

2. Follow the three steps in the chapter to write your cover letter. Review your cover letter and résumé with someone at the campus career center, a professor, or a mentor and get feedback as to how well they tell your brand story.
3. Use your cover letter and résumé to apply for an internship or job you want online. Adjust the cover letter to personalize your cover letter for the requirements of the position.

TEST YOUR POWER KNOWLEDGE ANSWERS

1. Character and ability to build trust, ability to connect, listening skills, ability to ask the right questions, willingness to learn, drive to succeed, resilience and positive attitude, risk taking, ability to ask for the order, independence and discipline, flexibility, and passion.
2. WII-FM is the radio station that everyone listens to: *What's In It For Me*. It's always important to think about what you want out of life, and a career in selling has a lot of advantages for you, including financial opportunity, chance for advancement, and personal satisfaction.
3. Pay-for-performance is a term that describes the fact that you make more money based on selling more. Many sales positions include a pay-for-performance compensation structure, which means that the more you sell, the more money you make. Conversely, if you don't meet your objectives, your paycheck will be smaller.
4. Although compensation is important, it's not the only measure of a good job. Choosing a job that you enjoy with opportunities to achieve what you want and working in the environment that you like with people you like are important elements in evaluating a position.
5. a. B2B; b. B2B; c. B2B; d. B2C
6. Yes, fund-raising and development (as in creating and building endowments) are some of the selling opportunities available in the nonprofit sector.
7. Your brand points are the foundation of your résumé and cover letter.

KEY TAKEAWAYS

- A good salesperson does more than sell; they build a relationship and trust with the customer and offers solutions.
- A successful salesperson is a good listener. It is important to listen and understand the challenges that the customer is facing in order to present solutions that will work.
- Asking the right questions is critical to being successful in sales. It is the right questions that provide an opportunity for customers to share their challenges. Successful salespeople are always learning new things from selling techniques to technology in order to bring the best ideas to customers.
- Selling requires independence and discipline. There is no typical day in selling so salespeople have to be able to manage their own time.
- One of the biggest challenges of being in sales is the number of times you hear “no.” Successful salespeople are resilient, have a positive attitude, and are willing to take risks.
- Passion is one of the most important characteristics of a successful salesperson. If a salesperson isn’t passionate about what they sell, it’s unlikely that their customers will be motivated to buy.
- The primary role of a salesperson is to create value for the customer and the company.
- A job in sales can be very rewarding on both a personal and a financial level.
- Companies sell to customers in **business-to-business (B2B)** or **business-to-consumer (B2C)** channels. The type of channel is based on the type of consumer who is buying.
- **B2B** selling differs from **B2C** selling because there are relatively few customers, larger purchases, and longer selling cycle.
- When you are engaged in **relationship selling**, you build a relationship and tailor solutions according to your customers’ needs. When you are engaged in **transactional selling**, you are focused on a single sale or transaction.
- Other selling environments include **direct selling** (independent sales agents), **entrepreneurial selling** (a business started by an individual, or **nonprofit selling** (also called fund-raising or development).

PART III.

THE POWER OF BUILDING RELATIONSHIPS

Learning Objectives

1. Discuss why relationships are so important in selling and bringing value.
2. Explain how networking builds relationships and businesses.
3. Outline the concept of adaptive selling and how to use it.
4. Demonstrate how the social style matrix can help you be more effective in sales.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=47#oembed-1>

3.1 THE POWER OF RELATIONSHIP SELLING

It was 4:00 p.m. on Christmas Eve and Ray Rizzo's father, in town for the annual family get-together, had forgotten to bring his suit. What made the situation even more challenging was that Ray's father is rather portly with a forty-eight-inch waist and even broader shoulders, a build that requires a fifty-three-short jacket. Ray and his father rushed to Mitchells, a local clothing store in Connecticut, and asked Jack Mitchell, the owner, for his help. It was hard to imagine that Ray's father would possibly be able to get a suit or even a sport jacket tailored to fit in time for the family gathering. After all, it was Christmas Eve, and the store would be closing in an hour. Jack did not hesitate and immediately enlisted Domenic, the head tailor, and before 6 o'clock that evening, the largest pair of pants and jacket in the store were tailored to fit Ray's father perfectly. Needless to say, Ray is a customer for life.¹

This situation is what Jack Mitchell calls a hug. If you go shopping for clothes at Mitchells or Richards in Connecticut, you will be hugged. Maybe not literally, but you will most definitely be "hugged" figuratively. Jack Mitchell, the CEO of Mitchells/Richards and author of *Hug Your Customers: The Proven Way to Personalize Sales and Achieve Astounding Results*, says, "Hugging is a way of thinking about customers. To us, hugging is a softer word for passion and relationships. It's a way of getting close to your customers and truly understanding them."

FROM PERSONAL TO PROBLEM SOLVING

Think about your best friend. You know them so well that you can just about finish each other's sentences. You know their favorite flavor and brand of ice cream, and you can sense when they are having a bad day. You text and talk or text them all the time. You have a great relationship with them.

Now think about the last time you went into your favorite restaurant. Was it the same kind of experience? Did the host greet you by name and seat you at your favorite table? Did the waitperson remember that you like to drink raspberry-flavored iced tea? Were you delighted with a new flavor of cappuccino after dinner? When these things happen, the people at the restaurant make you feel special; after all, you are the reason they are there. When you have a relationship like this with the people at the restaurant, you are more inclined to return to the restaurant again and again.

The bottom line is that to be successful in selling, any kind of selling, you have to make selling personal. People do business with people, not with companies. Even in the business-to-business (B2B) selling channel, people are making decisions on behalf of the company for which they work. Every sale starts with a relationship. If your relationship is strong, there is a higher likelihood of a sale and a loyal repeat customer. That means you have to get to know your customer on a one-to-one basis to understand what they want, what they need, and what resources they have. This concept is called *relationship selling*.² It is defined by working personally with your customer to understand their needs, put their needs first, and provide consultation to help them make the best decision for their business.

1. Mitchell, J. (2003). *Hug Your Customers: The Proven Way to Personalize Sales and Achieve Astounding Results*. Hyperion.

2. Sykes, C. (2006). Relationship selling. *Surface Fabrication*, 12 (1), 58.

Selling has evolved dramatically over the past thirty years. Business is more competitive. The use of technology and the expanded number of product and service offerings have developed a need for relationship selling in more industries than ever before. It used to be that salespeople wanted to simply make a sale, which meant that the sale began and ended with the transaction but now, it is not enough to just make the sale. In today's competitive world, it is how you think about the customer that matters.³ The fact is that the sale is just one small part of the relationship—the real essence of selling is in the relationship.⁴

Example

Johnson Controls, manufacturer of heating and air conditioning systems, thinks that relationship selling is so important that it holds a Basic Boot Camp for the company's territory managers at its headquarters in Norman, Oklahoma, that focuses on leveraging relationships in selling.

The classroom-style "boot camp" includes interactive exercises, product training, and business support training. The company's commitment to relationship selling does not end there. Participants who score at least an 85 percent on their final grade for the Basic Boot Camp and spend six months out in the field can qualify to attend the elite Special Operations Training, which is by invitation only.

LIFETIME VALUE

Selling relationships start as personal relationships. Making a personal connection is vital in the first two to ten minutes of a customer encounter or meeting.⁵ If you are selling medical imaging equipment to hospitals, you want to build relationships with the administrators, doctors, and nurses who will be using your equipment in each hospital. When you build a relationship starting with what is important to each person individually, it is easier to expand that relationship to sharing information and problem solving from a business perspective. As Bob Fitta, a manufacturer's rep for several tool companies said about Paul Robichaud, owner of Robi Tools, "I got to know him as a business person and a real person, and that relationship has endured."⁶

Relationship selling does not start and stop at specific times during the relationship. In fact, it defines the relationship before the sale, during the sale, and after the sale.⁷ The concept of building professional relationships is apparent in this example: If you are selling insurance, consider the fact that your customer may eventually buy a home, have a family, or purchase a second property. Therefore, the relationship you develop when you sell them car insurance as a young person could and should be nurtured and developed over time to provide solutions that answer their needs as their lifestyle changes. **Lifetime value** is the focus of this long-term customer relationship development. It means that you consider not just one transaction with a customer, but also the help and insight you can provide throughout the entire time frame during which you do business with them.

3. Mitchell, J. (2003). *Hug Your Customers: The Proven Way to Personalize Sales and Achieve Astounding Results*. Hyperion.

4. Gitomer, J. (2007). The difference between account and a relationship. *Long Island Business News*. <http://libn.com/blog/2007/08/03/the-difference-between-an-account-and-a-relationship/>

5. Berch, C. (2009, April). Consultative selling: Ask, Don't tell. *Community Banker*, 18 (4), 261.

6. Perriello, B. (2008). Relationship—Selling at its Best. *Industrial Distribution* 97, 9: 34.

7. Berch, C. (2009, April). Consultative selling: Ask, Don't tell. *Community Banker*, 18 (4), 261.

So, although you may only provide them with basic car insurance now, over the course of more than twenty-five years that you do business with them, you may ultimately sell them thousands of dollars of insurance and investment products that meet their changing needs but that won't happen if you don't continue your relationship and keep in touch, focusing on topics and events that are important to them. If you focus only on the immediate sale, you will miss a lot of business, not to mention future referrals.

Here is a simple formula for calculating lifetime value:

dollar value of purchase × gross profit percent × number of purchases

Example

If a customer shopped at a retailer once and spent \$75 on one purchase that had a gross profit of 30 percent, the lifetime value of that customer would be \$22.50, calculated as $\$75 \times 30\% \times 1 = \22.50 .

If the customer made five purchases for \$75 each over the course of the time they shopped with the retailer (let's say five years), at a gross profit of 30 percent, the lifetime value of the customer would be \$112.50, calculated as $\$75 \times 30\% \times 5 = \112.50 .⁸

You can see that the concept of retaining a customer for more than one purchase can provide financial benefits. In addition, working with the same customer over the course of time provides an opportunity to learn more about the customer's needs and provide solutions that better meet those needs.

CRM TOOLS HELP YOU MANAGE RELATIONSHIPS

Consider the evolution of some major industries. Many of the leading hotel chains keep your preferences in a database so that their front desk sales team can recognize you personally at check-in and provide the queen-sized bed in a nonsmoking room on the quiet side of the property that you prefer. Amazon knows your past orders and how to set up your home page. TripAdvisor and Expedia track your preferences for seat and food choices and preferred airlines. In each one of these situations, the salesperson is the difference that sets a brand apart at the decisive moment, the moment the customer is exposed to the brand.⁹

Given that it is roughly five times more expensive to acquire a new customer than to retain one,¹⁰ many companies use customer relationship management (CRM) tools, which are technology solutions that organize all of a customer's interactions with a company in one place. In other words, CRM is a customer database that holds all the information regarding a transaction (e.g., date; products purchased; salesperson who sold the products; and name, address, and contact information of the customer). In addition, it captures all communication the customer has had with the company,

8. Gray, M. (1999, May 20). How do you determine customer lifetime value? *Profit Advisors*. <http://www.profitadvisors.com/busfaq/lifetime.shtml>

9. Lax, H. (2008). Fun, Fun, Fun in a customer experience way. *Banking Strategies*, 84(6), 64

10. Galio, A. (2014, October 29). The value of keeping the right customers. *Harvard Business Review*. <https://hbr.org/2014/10/the-value-of-keeping-the-right-customers>

including calls made to the company call center, posts and reviews made to the company Web site, and the details of each sales call made by a salesperson. Looking at the graph below, CRM software helps improve customer service, satisfaction, and increase sales.¹¹

WHAT ARE THE MAIN BENEFITS YOUR BUSINESS HOPES TO ACHIEVE USING CRM?

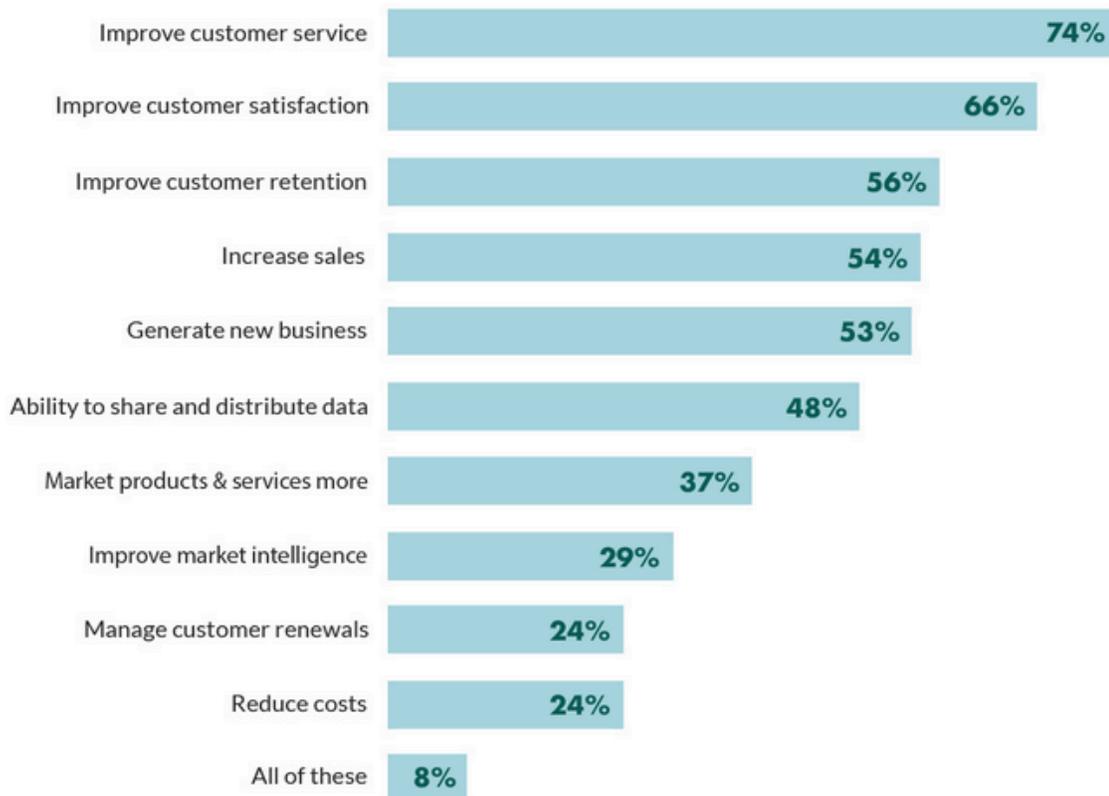


Figure 3.1 What are the main benefits your business hopes to achieve using CRM?

Credit: Plaksij, Z. (2021, January 8). 10 reasons why sales people need CRM. SuperOffice. <https://www.superoffice.com/blog/why-sales-people-need-crm/> [Image Description]

A CRM tool works in a variety of ways.

CRM Example

- A construction contractor calls a toll-free number for a plumbing supply company after seeing an ad in a trade journal.
- The prospect inquiry is sent via e-mail to the appropriate salesperson. The salesperson reviews the CRM system to see if there have been any previous contacts with the customer and if there is any

11. Plaksij, Z. (2021, January 8). 10 reasons why sales people need CRM. SuperOffice. <https://www.superoffice.com/blog/why-sales-people-need-crm/>

information about the customer and their business.

- Then they return the prospect's phone call and sets up a date to meet them to learn more about their business needs.
- The salesperson makes a note in the CRM system about the phone call and the date of the meeting and sets a follow-up reminder for themselves for the meeting and for three days after the meeting.
- When the salesperson meets with the prospect, they learn that the prospect has five developments that they manages. The salesperson makes a note in the CRM system so everyone from the company who comes in contact with the prospect, such as other salespeople or customer service, know this information about the prospect.

CRM tools can be extremely helpful in managing customer relationships, especially where there are multiple people in the company who come in contact with prospects and customers. CRM tools also make it easier to understand the lifetime value of a customer since all purchases, inquiries, and other contacts are included in the system. It is the information that is gathered in a CRM system that helps a salesperson better understand customer behaviour, communication patterns, and short- as well as long-term needs.

For example, many companies offer loyalty programs as a tactic to increase sales but also to gather information about customer preferences to offer more relevant messages and offers. CRM tools are used to manage loyalty programs, such as Best Buy Rewards Zone, Southwest Airlines Rapid Rewards, and the Safeway card for their different local grocery chains. This information is then used for marketing and selling purposes. Best Buy can identify all the recent purchasers of Hewlett-Packard (HP) printers and send them an e-mail for HP ink cartridges. CRM tools are used to manage customer relationships in other ways. For example, Starbucks uses [Salesforce.com](https://www.salesforce.com), a widely used CRM tool, to power their MyStarbucksIdea Web site. The Web site is a collaboration and feedback tool that engages customers in providing ideas to the company. To manage the relationships with customers online, Starbucks uses a CRM tool. This allows Starbucks to provide personal feedback to each customer on all the ideas they submit.

FACE TIME

So you might think that customer relationships are easy to maintain with text messaging, e-mail, and other technology-based methods of communication. After all, that is how you communicate with your friends. But while technology can enhance an established relationship because it allows you to provide information and insight at a moment's notice, the fact is that most significant customer relationships, especially in B2B selling, require face-to-face communication.¹² Networking statistics indicate that 95% of professionals consider face-to-face communication vital for long-term business.¹³

In this world of high-tech instant communication, some relationships can easily become “low-touch,” or missing the human element. Meeting with and entertaining customers is an important part of the selling process. It helps you get to know customers in an environment outside the office, in a casual or social place such as a restaurant, sporting event, or concert. These can be excellent

12. Geiger, S. & Turley, D. (2007, August). The perceived impact of information technology on salespeople's rational competencies. *Journal of marketing management*, 22(7), 827.

13. Vukova, C. (2019, December 10). 73+ surprising networking statistics to boost your career. *Review 42*. <https://review42.com/networking-statistics/>

opportunities for you and your customer to “let your hair down,” relax, and enjoy each other’s company. Many sales positions include an entertainment budget for this reason. Taking someone out to eat or a round of golf is not the only part of a selling relationship, but it is an important part of building and developing a connection.¹⁴

One sales manager said that they could tell when one of their salespeople is struggling simply by reviewing their expense reports. They look for activities that take place outside business hours because those are the activities that build relationships. In fact, according to one study, 71 percent of top-achieving salespeople use entertainment as a way to get closer to their customers.¹⁵

R-COMMERCE

You have probably heard of e-commerce, selling products and services on the Internet, and m-commerce, selling products and services via mobile devices such as cell phones and smart phones. R-commerce is less known. R-commerce is a term that refers to relationship marketing, which establishes and builds mutually beneficial relationships.

Terry L. Brock, an international marketing coach and syndicated columnist, says salespeople have the opportunity to make the difference in their relationships with the little things. Sending a thank-you note after a meeting, forwarding an article or video on a topic you discussed, remembering the names of your customer’s children, even providing a personal suggestion for a vacation spot are all examples of little things that can set you apart from every other salesperson. You might think that these “little things” are not important when you get into the big world of business but Harvey Mackay, renowned author, speaker, and business owner, says it best: “Little things mean a lot? Not true. Little things mean everything.”¹⁶ Developing your own r-commerce strategy can help set you apart in sales. It is expected that you will make phone calls and follow up; it is the extra personal touch that makes your customer feel special and helps establish a strong relationship.

TRUST ME

The check is in the mail.

The doctor will see you in ten minutes.

I’ll call you tomorrow.

How many times have you heard these promises, or ones like them? When people make promises that they do not keep, you lose trust in them. It is unlikely that you will trust a person who does not deliver on what they say. If your customer does not believe that you will actually do what you say you are going to do, you do not have a future in selling. Trust is built on open and honest communication and is about building partnerships. Salespeople build trust by following up on their promises. They are accessible (many times 24-7), and they work to help their customers succeed. Customers trust you when they believe you have *their* best interest at heart, not your personal motivation. One B2B

14. Sanders, B. (2018, May 4). How to use golf as a prospective strategy. *The Business Journals*. <https://www.bizjournals.com/bizjournals/how-to/marketing/2018/05/how-to-use-golf-as-a-prospecting-strategy.html>

15. Reilly, T. (2006, September). Relationship selling at its best. *Industrial Distribution*, 25 (9), 29.

16. Mackay, H. (2018, November 14). Harvey Mackay: Scrappiness is a warm success. *Daily Herald*. https://www.heraldextra.com/business/harvey-mackay-scrappiness-is-a-warm-success/article_2ae5d6d3-eb61-5466-9777-057a2a9ad1d3.html

customer described their salesperson by saying they were like an employee of the company. “Your customers need to know they can depend on you — that if something goes wrong, you’ll be there.”¹⁷

People buy from people they trust. Consider the fact that customers put their trust in salespeople with their money and, in the case of business-to-business selling, with their business and ultimately their reputation. Customers actually become dependent on you, and their buying decisions are actually based on the fact that they trust you and believe what you say and unfortunately, according to the Harvard Business Review, customers “rate a dismal 18% of salespeople as trusted.”¹⁸

WHEN TIMES ARE TOUGH

No one likes to deliver bad news but it is not always good news that you will have to tell a customer. The best antidote for bad news is a good relationship. If you have nurtured your relationship with the customer and built trust, it is much easier to deliver bad news. When it is time to deliver bad news, like a delayed delivery, a cost increase, or a discontinued product line, do not put it off. Use the same practices that you use to build your relationships: open, honest, and timely communication.

Watch the YouTube video *Customer Service Five ways to Deliver Bad News* by Sally Cordova and her tips for delivering bad news the right way.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=49#oembed-1>

WIN-WIN-WIN: THE ULTIMATE RELATIONSHIP

If you do volunteer work for an organization such as Autism Speaks, you get involved because you believe in raising awareness of autism to increase funds for research for the cure.

- Those who have autism and their families benefit from your involvement. This is win #1.
- You also benefit because you gain the satisfaction of helping people. This is win #2.
- You help build the strength of the organization, in this case, Autism Speaks. The more people that are involved, the more people they can reach with their message, and the more money they can raise to reach their goal of curing autism. This is win #3.

The above example is an illustration of the win-win-win concept in relationships. In other words, in the ultimate relationship, all parties have something to give and something to gain. This same win-win-win occurs in successful selling relationships. Your customer wins because they get your advice and expertise to help them find a product or service that meets their needs. You win because you have enhanced your relationship and made a sale; and your company wins because the relationship, the sale, and the repeat sales help it achieve its goals. Although the win-win-win may sound like a

17. Frost, A. (2017, December 28). The ultimate guide to relationship selling. *Hubspot*. <https://blog.hubspot.com/sales/relationship-selling>

18. Illig, R. (2018, November 2). The key to boosting trust in sales? Put the client first. *Forbes*. <https://www.forbes.com/sites/andyillig/2018/11/02/the-key-to-boosting-trust-in-sales-put-the-client-first/#d19077755a30>

simple concept, it is a critical one to keep in mind in any business position, especially in selling. This art of collaboration actually results in more business with your existing customers because you have become a partner in solving their problems, and it brings you new business in the form of referrals.

A SEAT AT THE TABLE

The seat at the table is given to those salespeople who deliver value, not sell products or services. They develop the relationship to assist customers in implementing their business strategies.¹⁹ Customers want value in the form of strategic thinking around issues that are important to them and their company goals. As a result, your goal as a salesperson should be to help your customers create demand, secure a competitive advantage, and identify a new niche. When you deliver this kind of value, your customers will no longer see you as a salesperson; they will see you as a “business person who sells.” It is this kind of thinking and value creation that earn you a seat at the table. The seat at the table also helps you expand your business because you will be integrated into your customer’s business. That allows you to deliver your core products or services and be a part of developing the new opportunities. It helps cement the relationship and establishes a partnership that delivers value for all involved.²⁰

Every salesperson wants “a seat at the table”; they want to be a part of the decision-making process. That is the epitome of relationship selling: you are included in the process from the beginning. You want to be included as a valued partner with your business-to-business customers to discuss their company’s strategic questions like “How will we grow our business in the next three years while technology is driving down the average selling price of our product?” “How can we extend our relationship with our customers beyond our contract period?” or “How can we expand to new markets and minimize our risk?” These are not traditional sales questions; they are strategic issues that companies wrestle with.

When you are a true partner with your customers, you will be given a seat at the table when direction-setting issues are discussed. This allows you to participate fully as a trusted advisor and asset to the customer and to help shape the strategy of the company. It changes your relationship with the contact and the company from salesperson to partner. Although it may seem like a lofty goal, consider this: If you want to have a seat at the table, not only will you need to solve your customer’s problems and anticipate their needs, but according to Tim Conner, sales trainer and author, you will also need to be a creative problem creator. That means that you will be in constant pursuit of identifying problems that your customer did not even know they had. In other words, it means that you have to think *ahead* of your customer, not just along with them.²¹

How Do You Bring Value? Watch the video *Give Value First* by Jeffrey Gitome.



19. Williams, J.D., Everett, R., & Rogol, E. (2009). Will the human factors of relationship selling survive in the twenty-first century? *International Journal of Commerce & Management*, 19 (2), 158.

20. Miller, M. (2009, May). A seat at the table. *American Salesman*, 54 (5), 9.

21. Levinson, M. (2007, December 11). How to network: 12 tips for shy people. *CIO*. http://www.cio.com/article/164300/How_to_Network_Tips_for_Shy_People?page=1



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=49#oembed-2>

Building relationships can be done through lifetime value, CRM, Facetime, R-Commerce, Trust, Handling tough times, Win-win-win strategies, and having a seat at the table.

3.2 NETWORKING: RELATIONSHIPS THAT WORK FOR YOU

You probably use Facebook or Snapchat frequently to keep in touch with your friends. If you want to know who took a particular course with a particular professor, you can ask your friends on Facebook. If none of your friends took the course, one of their friends may have taken it and could give you some insight about the course and the professor. Whether you realize it or not, you are networking.

Networking is the art of building alliances or mutually beneficial relationships.¹ In fact, networking is all about relationships and exchange. In the example above, while you are looking for feedback on a class from someone you know, someone else may be considering seeing a movie and wants to know if you have seen it and if you thought it was good. This is a value exchange. Although networking is not exactly *quid pro quo* (something for something), it does include the element of exchange: if someone is looking for something, someone else can provide the information. What makes the network function is the fact that people in the network at some point have a need and at some point may be able to help someone else with their need. Said another way, networking is based on mutual generosity.²

Networking is an important part of the business world and an even more vital part of sales. Statistics Review (2019) states that 85% of positions are filled through networking.³ It is no longer a question of “if” you should network; it is a requirement to stay competitive because it is virtually impossible to do your job alone. Just as in social networking, professional networking allows you to leverage the people you know to expand your relationship to people you do not know. Building strong relationships with customers is an excellent way to build your network. Satisfied customers will refer you to other people who might become potential customers. Networking fits well with Face Time (see earlier section) where you are in front of your customer helping them solve their problems and building the relationship.

It is best to always be networking rather than networking only when you want something. It makes it easier to network and expand your relationships when you are not asking for something. It also gives you the opportunity to help someone else first, which can go a long way when you need help in the future.

HOW TO NETWORK

It is clear that to be successful, you want to spend time networking but the missing piece is exactly *how* to network?

1. Levinson, M. (2007, December 11). *How to network: 12 tips for shy people*. CIO. http://www.cio.com/article/164300/How_to_Network_Tips_for_Shyn_People?page=1

2. Levinson, M. (2007, December 11). *How to network: 12 tips for shy people*. CIO. http://www.cio.com/article/164300/How_to_Network_Tips_for_Shyn_People?page=1

3. Vukova, C. (2019, December 10). *73+ surprising networking statistics to boost your career*. Review 42. <https://review42.com/networking-statistics/>

START WITH PEOPLE YOU KNOW

Make a list of all the people you know, starting with your current customers, family, friends, friends, and others. Include people such as your hair stylist, car mechanic, and others. Ask them open-ended questions and look for opportunities to connect with a resource or guide and build on the relationship.⁴

JOIN AND GET INVOLVED IN PROFESSIONAL ORGANIZATIONS

If you want to meet people who are in the same business or profession as you, professional organizations such as Sales & Marketing Executives International, Advertising Club of New York, Home Builder's Association, and so on are the best places to be. Joining is good, but getting involved in one of the committees is even better. It helps demonstrate your skills and knowledge to the other people in the organization. Since most professional organizations are made up of volunteers, it is usually easy to be invited to participate on a committee.⁵

ATTEND INDUSTRY EVENTS

Make an effort to attend industry or other professional events. Arrive early and work the room. If you come with someone, be sure to branch out to meet and mingle with other people. Set a time and a place to meet the person with whom you came so you can both maximize your networking. According to Peter Handel, the chairperson and CEO of Dale Carnegie & Associates, a smile can be your greatest asset when networking in person. He suggests always asking questions of the people you meet; it helps keep conversation going and gives you more insight into their background and how you might work together in the future but the other side of asking questions is listening; that is how you will learn.

BUSINESS CARDS

A business card is an essential tool to bring to networking events. Given the countless digital alternatives to a physical business card, is the business card still relevant or just waste of paper? According to Forbes Agency Council, there are still situations when a business card is relevant:⁶

- For people not on social media
- As a method to bringing people to your digital connections (your email, LinkedIn, and Twitter for instance may be on your business card)
- Business cards are still the quickest way to exchange information
- As a physical reminder of someone
- Creative cards get shared and can show brand and style
- Card quality can reflect the quality of your business

4. Marcus, B. (2018, May 22). *The networking advice no one tells you*. Forbes. <https://www.forbes.com/sites/bonniemarcus/2018/05/22/the-networking-advice-no-one-tells-you/#1d90debe7772>

5. Richmond, K. (2008). *Brand you* (3rd Ed). Pearson Prentice Hall.

6. Forbes Agency council (2017, November 24). *Is the business card dead? 16 experts share their thoughts*. Forbes. <https://www.forbes.com/sites/forbesagencycouncil/2017/11/24/is-the-business-card-dead-16-experts-share-their-thoughts/#68e14cda7992>

- Cards can make employees feel important

What should go on a business card? According to USA today and Alison Doyle of Careers,⁷ be sure to leave some white space without using a tiny font (do not cram too much information on the card); include links to all of your relevant digital platforms; try a tagline to capture the essence of what you do or list a few essential skills; use a simple and clean design that is part of your overall marketing; try a QR code that links to your website; if you have room, put a headshot on the card to help people remember who you are; and watch the actual size which should always fit into a wallet.

Keep in mind that there are business cards and there are networking cards.

“Networking business cards, which have the look and feel of a traditional business card, give you the opportunity to provide critical career and contact information to people you meet in social and professional situations where it is not appropriate to hand out resumes. For a minimal investment, you can print networking cards and then revise them as your situation changes. For example, the networking business card you use for a summer job search will be different than one you use in your final year when you attend employer information sessions.”⁸

Networking cards are like a business card but are usually used to network for a job so they you are your contact information but focus on your career or job goals versus showcasing a business that you currently work with.

KEEP IN TOUCH

Networking is about creating mutually beneficial relationships. It is best to use one of the basic practices for building relationships when networking: keeping in touch. That means dropping an e-mail to someone with whom you have networked just to find out how their big project is going, how their twins' birthday celebration went, or even just to say hi. Go beyond the e-mail by inviting someone to lunch. It is the perfect way to build a relationship, share common ground, and learn more about the person.⁹ Many people are gung ho about networking and meeting people, but rarely keep in touch. It almost defeats the purpose of networking if you do not keep in touch.

ONLINE PROFESSIONAL SOCIAL NETWORKING

Online professional social networking can be an equally powerful tool to build your contacts but just like networking in person, you cannot be passive and expect to expand your network. Consider a situation that Austin Hill, Internet entrepreneur and founder of the angel investment firm Brudder Ventures, encountered when his firm was trying to get access to someone in a specific department at a vendor. It was a large company, and he kept getting the runaround. But after going onto LinkedIn and getting introductions to the right people, within two days they were able to start doing business with the company.¹⁰

7. Doyle, A. (2020, January 4). *What to include on a career networking business card*. Thebalancecareers. <https://www.thebalancecareers.com/what-to-include-on-a-business-card-for-job-seekers-2062582>

8. Hanson, R. (n.d.). *Networking Business cards*. University of Toronto. <https://www.utm.utoronto.ca/careers/sites/files/careers/public/shared/pdf/networking-business-cards.pdf>

9. Rosato, D. (2009, April 3). *Networking for people who hate to network*. CNNMoney. http://money.cnn.com/2009/04/02/news/economy/networking_jobs.moneymag/index.htm

10. LaMotta,L. (2007, August 9). *How to Network Like a Pro Online*. Forbes. http://www.forbes.com/2007/08/09/google-microsoft-walmart-ent-tech-cx_ll_0809networking.html

LinkedIn is the largest social media platform for professional networking with “over 610 million users in more than 200 countries and territories worldwide”.¹¹ This is without a doubt, an essential tool for establishing a network. Keep in mind that there are other tools you can explore like [Meetup](#), [Xing](#), [Bark](#), [Reddit](#), and [Twitter](#). Take some time to set up your online professional networks based on your career goals and interests.

11. Bishop, A. (2019, March 14). *Networking alternatives to LinkedIn*. Search Engine Journal. <https://www.searchenginejournal.com/linkedin-alternatives/297409/#close>

3.3 PUTTING ADAPTIVE SELLING TO WORK

Adaptive selling occurs when a salesperson adapts, changes, and customizes her selling style based on the situation and the behaviour of the customer.¹ Adaptive selling allows you to truly listen, understand the customer has needs, and then adapt your conversation and presentation accordingly. On the other hand, if you were giving a canned presentation, you would not be able to learn what the customer thinks is important. For example, if you were selling landscaping to a customer, you would not know if the customer wanted the landscaping to provide privacy or create a view. The only way you would find out is by listening, asking questions, and adapting your recommendations and presentation accordingly. Adaptive selling is much easier to do when you establish a relationship with the customer.

Adaptive selling is one tool to help with being more customer-centric in building your relationships by allowing you to adapt your communications based on the feedback you receive, the sales situation and the customer themselves.² Chances are you already use adaptive selling in your everyday life, but you may not realize it. Do you approach your parents differently than your friends? Do you speak to a professor differently than you do to your roommate? It is also likely that you interact with each of your friends differently. Do you have a friend that needs tons of information to make a decision, while another friend makes a decision in an instant? Do you know people who want to talk about their decisions before and after they make them and those who just decide and do not say a word? Understanding diversity, or the different ways people behave, is the cornerstone of adaptive selling.

1. Weitz, B., Castleberry, S., & Tanner, J. (2009). *Selling: Building Partnerships*. (7th ed). McGraw-Hill.
2. The Business Professor. (2019, September 20). *Adaptive Selling – Definition*. The Business Professor. <https://thebusinessprofessor.com/lesson/adaptive-selling-definition/>.

3.4 THE SOCIAL STYLE MATRIX

Understanding the social style matrix provides insight to adaptive selling as you adjust your communications to meet the social style of your customer. What makes people so different in their style, perceptions, and approaches to things is defined in the social style matrix. The social style matrix is based on patterns of communication behaviour identified by David Merrill and Roger Reid back in 1999. It plots social behaviour based on two dimensions: assertiveness and responsiveness. In the matrix below, the x axis is assertiveness, which indicates the degree to which a person wants to dominate or want something from someone else (control the conversation or insist on a sale for example). The y axis represents responsiveness, which is how a person responds to requests or demands (how quickly you follow-up, for example) and is considered the sociability axis.¹

In Figure 3.2, the Social Style Matrix, you can see the four quadrants; each quadrant represents one of four social styles: analytical, driver, amiable, and expressive.²

1. Changing Minds. (2020). *Social styles*. Changing Minds. http://changingminds.org/explanations/preferences/social_styles.htm

2. Image adapted from Duncan, T. (1999). Your sales style. *Incentive*, 173(12), 64-66. <https://www.proquest.com/trade-journals/your-sales-style/docview/225371955/se-2>

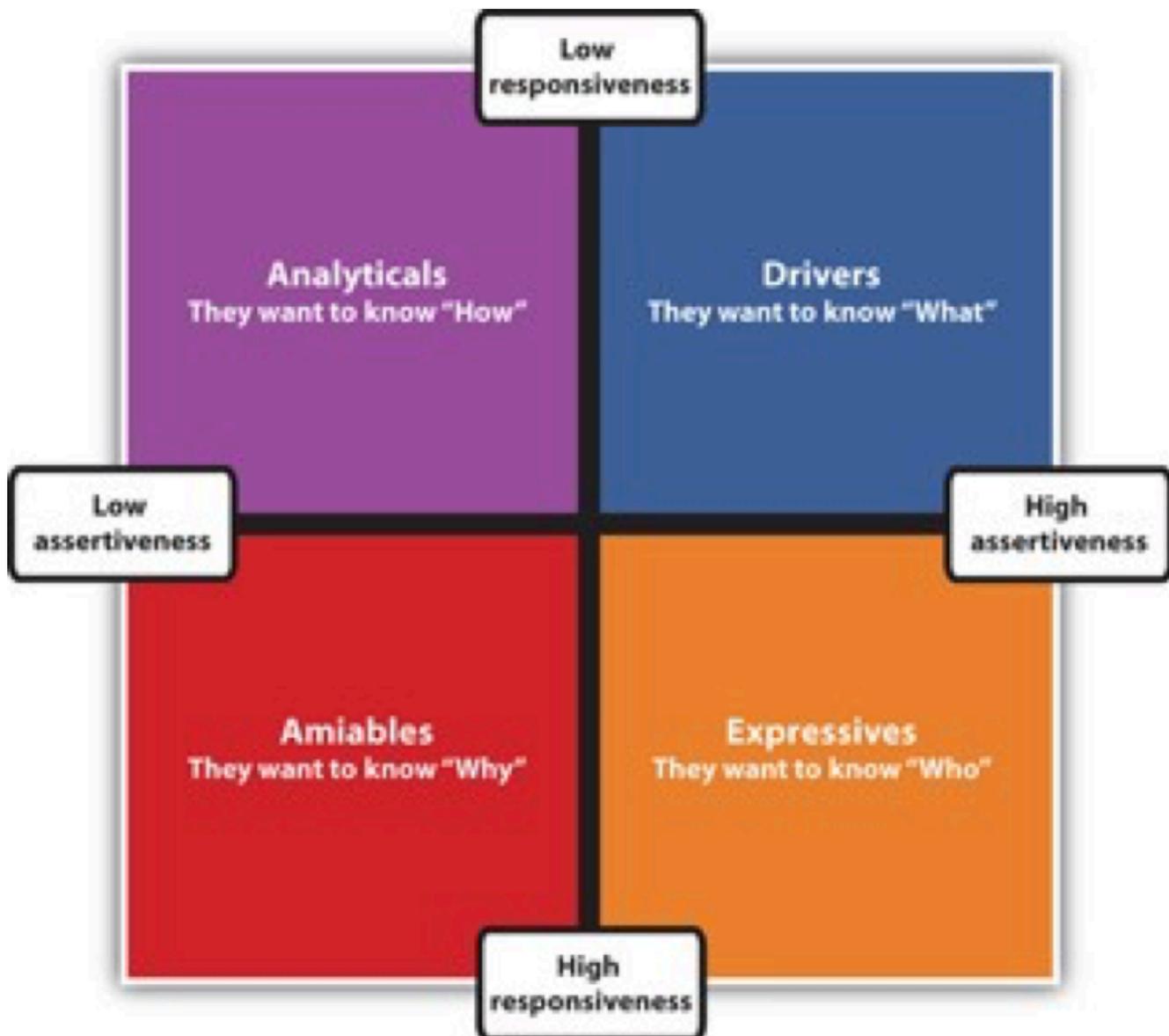


Figure 3.2: Social Style Matrix by Todd Duncan. [\[image long description\]](#)

Each of the social styles has specific characteristics that are important to keep in mind as you prepare and present your sales presentation. The model “demonstrates that each of the four SOCIAL STYLES has positives and negatives associated with their behaviour. Versatility is the true power of SOCIAL STYLE. It is the ability to leverage the strengths of your own Style while recognizing and responding effectively to others’ unique Styles. It allows you to create meaningful and productive relationships with people of any Style whether they’re like you or not”.³

ANALYTICALS: THEY WANT TO KNOW “HOW”

Do you know someone who only wants the facts to make a decision? Perhaps it is your father or mother or a professor. **Analyticals** are all about the facts. They are defined by low responsiveness and low assertiveness. In other words, they like to hear about the pros and cons and all the details before

3. Changing Minds. (2020). *Social styles*. Changing Minds. http://changingminds.org/explanations/preferences/social_styles.htm

they decide. They want to hear about the tangible results, timelines, and details before they make a decision. In fact, they are the ones who will actually read the directions before they put together a new grill or set up a wireless home network. People with an Analytical Style are typically described by others as quiet, logical and sometimes reserved or cautious.⁴ You might have some visual cues that will help you identify an analytical. They probably dress conservatively and have their achievement awards proudly displayed on their office wall. They are organized and focused on work activities.⁵

If you are selling to a customer who is an analytical, they will ask you very specific questions about all the details, and they will respond positively if you make them feel as if they are right. In other words, do not challenge their facts and point of view. Rather, provide history, data, financial details, and other facts in an organized, structured format. They will ask many questions so that they clearly understand the product or service. Since it is important for them to make the right decision, they will take the time to gather all the facts. Because they put so much effort into making the right decision, they tend to be loyal to the people from whom they buy, believing they do not need to reevaluate the same facts.

Adapt your style to an analytical by focusing on the “how.” Slow down your presentation and let them take it all in; do not make them feel rushed. Use facts, historical data, and details to be sure they have all the information they need to make the decision. Use guarantees or warranties to reduce any perceived risk.

DRIVERS: THEY WANT TO KNOW “WHAT”

You’ve probably watched Super Bowl champion Peyton Manning, quarterback for the Indianapolis Colts play football on television or the Internet. One of the traits that makes him a champion is the fact that he is focused exclusively on winning each game. When he is on the field, everything else is in second place in his mind. Peyton Manning is a **driver**.

Drivers have some characteristics that are the same as analyticals in that they like to have all the facts to make their decision. However, drivers are different from analyticals because they make decisions quickly. On the social style matrix, they are in the low responsiveness, high assertiveness quadrant. “People with a Driving Style are seen by others as direct, active, forceful and determined. They initiate social interaction and they focus their efforts and the efforts of others on the goals and objectives they wish to get accomplished”.⁶ They have little regard for the opinions of others; a driver is rarely described as a “people person. Unlike analyticals, they don’t want facts just for the sake of having them; they want relevant information that will help them decide quickly.

Like the analyticals, drivers dress conservatively and display their achievement awards on the wall of their office. A calendar is usually prominent to keep focus on how long it will take to achieve something.

The best way to adapt to a driver is to be professional and to the point. Do not spend too much time on small talk; get to the point quickly. Provide options so that they can feel as if they are in control. Include a timeline so they can see how quickly they can get results.

4. Changing Minds. (2020). *Social styles*. Changing Minds. http://changingminds.org/explanations/preferences/social_styles.htm

5. Weitz, B., Castleberry, S., & Tanner, J. (2009). *Selling: Building Partnerships*. (7th ed). McGraw-Hill, 151.

6. Changing Minds. (2020). *Social styles*. Changing Minds. http://changingminds.org/explanations/preferences/social_styles.htm

AMIABLES: THEY WANT TO KNOW “WHY”

Actress Reese Witherspoon was named the Honorary Chairperson of the Avon Foundation for Women because of her ability to unite women around the cause of breast cancer.⁷ She rallies people and brings them together by focusing on the greater good, but she does not assert herself. She is an **amiable**.

“People with an Amiable Style openly display their feelings to others. They appear less demanding and generally more agreeable than others do. They are interested in achieving a rapport with others who often describe them as informal, casual and easy going”.⁸ An amiable is most likely to be described as a “people person.” Amiables are team players who focus on innovation and long-term problem solving. They are less controlling than drivers and more people oriented than analyticals because they are in the low assertiveness, high responsiveness quadrant of the matrix.

Amiables provide some visual clues because their offices are typically open and friendly. They often display pictures of family, and they prefer to work in an open environment rather than sitting across the desk from you. They tend to have a personal style in their dress, being casual or less conservative than analyticals or drivers.⁹ When you are presenting to an amiable, establish a personal relationship. They will be more likely to discuss issues with you. When you demonstrate your personal commitment, they will be open to doing business with you.

EXPRESSIVES: THEY WANT TO KNOW “WHO”

An **expressive** is intuitive, charismatic, persuasive, nurturing, and engaging. Oprah Winfrey is an expressive; she has excellent rapport with people, even people she has never met. Relationships are important to her, but only to help her achieve her higher goal of giving her viewers inspiration and a better way to live their lives.

Expressives are creative and can see the big picture clearly; they have a vision and use their style to communicate it and inspire people. They are not caught up in the day-to-day details. “People with an Expressive Style tend to be more willing to make their feelings known to others. They can appear to react impulsively and openly show both positive and negative feelings. They are typically described by others as personable, talkative and sometimes opinionated.”¹⁰ Expressives build relationships to gain power, so people like employees, viewers, or voters are very important to them as well as status and recognition.

Since expressives are not big on details, you might find their offices to be a bit disorganized, even cluttered and messy. Their offices are set up in an open format, as they would prefer to sit next to you rather than across the desk from you. They avoid conservative dress and are more casual with their personal style.

When you are selling to an expressive, take extra time to discuss everything. Give them recognition

7. Avon Foundation for Women. (2009, May 11). *Reese Witherspoon Joins Avon Foundation for Women and San Francisco General Hospital to Celebrate 5th Anniversary of Avon Comprehensive Breast Center*. AvonCompany. <http://www.avoncompany.com/women/news/press20090511.html>

8. Changing Minds. (2020). *Social styles*. Changing Minds. http://changingminds.org/explanations/preferences/social_styles.htm

9. Barton, A., Weitz, S. Castleberry, S. & Tanner, J.(2009). *Selling: Building Partnerships*. (7th ed). McGraw-Hill.

10. Changing Minds. (2020). *Social styles*. Changing Minds. http://changingminds.org/explanations/preferences/social_styles.htm

and approval. Appeal to their emotions by asking them how they feel about the product or service; focus on the big picture of what is possible because of buying your product or service. If you try to dazzle them with data, you will not get very far.

SELLING STYLE SUMMARY¹¹

Analyticals

- Focuses on tasks more than people
- Likes to be right and will take time to ensure this
- Thoughtful, careful fact-oriented and precise
- Good at objective evaluation and problem-solving
- Likes organization and structure
- Avoids group work, preferring to work alone
- Can be over-critical and unresponsive
- Cautious in decision-making
- When stressed may withdraw or become headstrong

Drivers

- Make them feel as if they are in control
- Competitive and needs to win
- Seeks control and being in charge
- Fast-acting
- Plans carefully
- Decisive
- Results-oriented
- Task-focused
- Dislikes inefficiency and indecision
- Can be impatient and insensitive

Amiables

- Friendly and relates well to others
- Good at listening and teamwork
- Wants to be respected, liked and approved of
- Dislikes of conflict and risk-taking
- Seeks security and like organized workplaces

11. Duncan, T. (1999). Your sales style. *Incentive*, 64-66.

- Slow decision-making
- Prefers to be told what to do than to lead
- Fears change and uncertainty
- When stressed may become indecisive and submissive

Expressives

- Intuitive
- Creative
- Outgoing and enthusiastic
- Spontaneous and fun-loving
- Interacts well with others at work
- Good at persuading and motivating
- Fears being ignored or rejected
- Like to be acknowledged
- Dislikes routine and complexity
- Tendency to generalize and exaggerate
- When stressed may get sarcastic and unkind

3.5 WHAT IS YOUR SELLING STYLE?

Before you think about the social styles of other people, you might find it helpful to think about your own social style. Are you very emotional when you express your opinions, or are you more reserved and formal? Are you the type of person who agrees with everyone, or are you extremely interested in the details?

Take a few minutes to take the [Keirsey Temperament Sorter](#) to understand your social style.

It would be easy to be stuck in your own style preference but getting out of your comfort zone and adapting quickly to your customer's style preference can make the difference between a sale and a "no thanks." It is important to note that most people are a combination of styles, but when you understand the basic behaviours of each style and how to adapt, you can increase your chances for success.¹

1. Duncan, T. (1999, December 1). Your Sales style. *Incentive*, 64-66.

3.6 REVIEW AND PRACTICE

POWER WRAP-UP

Now that you have read this chapter, you should be able to understand the importance of relationships in selling and how to develop effective relationships.

- You can **understand** why building relationships is important to selling.
- You can **describe** how consultative selling works.
- You can **identify** ways to develop long-term, effective relationships.
- You can **understand** how to build trust in a relationship.
- You can **list** the ways to network to build relationships.
- You can **recognize** how to use adaptive selling.
- You can **understand** how to integrate networking into your job search.

Exercises

Test Your Power Knowledge (answers are below)

1. Describe consultative selling and why it is different from transactional selling.
2. Describe lifetime value and why it is important in consultative selling.
3. Explain how to communicate bad news to a customer.
4. Who wins in the win-win-win relationship?
5. What is networking, and why is it important in selling?
6. Describe adaptive selling and why it is important.
7. If your customer is a driver, what is the best way to adapt your selling style?
8. Name at least three ways you can use networking to get the job you want.

POWER (ROLE) PLAY

Now it's time to put what you've learned into practice. The following are two roles that are

involved in the same selling situation; one role is that of an interviewer and the other is that of the aspiring salesperson. This will give you the opportunity to think about this networking situation from the perspective of both the networker and the person with whom he is networking.

Read each role carefully along with the discussion questions. Then, be prepared to play either of the roles in class using the concepts covered in this chapter. You may be asked to discuss the roles and do a role-play in groups or individually.

Networking That Works

Role: Pharmaceutical sales manager

You are a sales manager at a major pharmaceutical company. You are always looking for extraordinary people—the ones who really stand out. You judge people by your first impression of them. Even if you are not hiring, you usually take the time to meet with people who impress you, or at the very least, you refer her to someone you think may be hiring. If you are not impressed, you are courteous to the person, but leave it at that.

- What would impress you if a potential candidate called to network with you?
- What information would you expect him to know about you?
- How would you respond to the networking phone call?

Role: College student

You are you. You are looking for a job in pharmaceutical sales, and you are networking to find any job opportunities in that area. You have been given the name and phone number of a sales manager at a major pharmaceutical company. You are not sure if the company is hiring right now, but the sales manager is well connected in the industry so he is a good person with whom to build a relationship and put your networking skills to work. You don't know much about him, but you learned on his LinkedIn profile that he went to the University of Florida and also volunteers for The Boys and Girls Clubs of America.

- What other research would you do before you called the sales manager?
- What is your objective for calling the sales manager?
- Assume you are calling the sales manager to network. How would you start the conversation?
- How would you wrap up the conversation?
- What would you do after the conversation?

PUT YOUR POWER TO WORK: *SELLING U* ACTIVITIES

1. Identify at least one professional organization on campus and one organization off campus that you can join to enhance your networking opportunities. Go to the campus student services office or career center. Also, talk to a professor and a librarian to conduct your research to identify the organizations.
2. Contact at least five people a week on your networking list. Ask for the names of additional

people to contact and to build your network.

3. Set up a profile on LinkedIn (if you haven't already done so). Connect to at least fifteen people to start (use your networking list to build your LinkedIn connections). Ask for at least three introductions a week from people in your network. Contact each one personally and share what type of career you would like to pursue. Ask each one for additional names of people you can network with.
4. Using LinkedIn, ask at least three professional people to recommend you. Consider people such as previous supervisors, professors, and internship coordinators.
5. Create an account on Twitter. Follow at least twenty professional people in the industry in which you would like to get a job.

TEST YOUR POWER KNOWLEDGE ANSWERS

1. Consultative selling occurs when you develop a one-to-one relationship with your customer and truly understand his needs, wants, and resources; it means putting the customer first. Consultative selling helps you develop short-term and long-term solutions for your customer. Transactional selling focuses on a single transaction with no input from or relationship with the customer.
2. Lifetime value means that you consider not just one transaction with a customer but also the help and insight you can provide throughout the entire period that you do business with him. A customer that has only limited needs right now may develop into a lucrative customer over the course of time based on your advice and guidance.
3. It's best to deliver bad news in person or over the phone when time permits. This tells your customer that you think this is important. You should always communicate in an open, honest, and timely manner and provide a realistic solution to the problem. If you don't have a solution, let the customer know when you will get back to her with an update.
4. The customer, you, and your company all win in a win-win-win relationship.
5. Networking is the art of building alliances or mutually beneficial relationships. Networking is built on the concept of exchange. In selling, you can expand the number of people you know, which can expand your business. When what you need provides value to someone else in your network, networking works. The more you provide value to other people, the higher the likelihood that they will go out of their way to help you.
6. Adaptive selling occurs when a salesperson adapts and customizes her selling style based on the behaviour of the customer. If you adapt to the customer's social style, you can increase the chances that he will be open to hearing your message.
7. Be professional; focus on facts and timelines that will allow your customer to see how quickly she can achieve her goal. Provide options that allow her to be in control.
8. Create a networking list, join professional organizations, use online professional social networks, publicize your profile, ask for recommendations, join groups, create content, and follow up.

KEY TAKEAWAYS

- **Consultative selling** is the process by which you get to know a customer personally, understand their needs, and put their needs first in the relationship.
- **Relationships** are vital to success in most selling situations. When you understand what the customer wants and needs, you can provide solutions to help your customer meet their goals.
- **Lifetime value** is a term that refers to the amount of business that you do with a single customer over the course of the relationship. When you have a long-term view of your relationships with customers, you have an opportunity to realize even greater success.
- **R-commerce**, or establishing and developing relationships with customers, focuses on the “little things” you can do to take advantage of opportunities and set yourself apart.
- **Trust** is the cornerstone of every relationship. If you do not have trust, you do not have a relationship.
- A solid relationship is essential especially when delivering bad news. Always be honest and timely with your customer. They will respect and trust you for it.
- Networking is the art of building mutually beneficially relationships, and is an indispensable tool.
- Adaptive selling occurs when you adapt and customize your selling style based on the behaviour of the customer.
- The **social style matrix** is based on patterns of communication that characterize communication behaviour based on two dimensions: assertiveness and responsiveness.
- **Analyticals** focus on facts, details, and analysis to decide but are reserved in their interactions with people. They want to know the “how.”
- **Drivers** are similar to *analyticals* in that they like facts, but only the ones that will quickly help them achieve their goals. They are people who are in a hurry and do not really care about personal relationships, except as a means to their goal. They want to know the “what.”
- **Amiables** focus on personal relationships in their communication style. They like to agree with everyone and focus on team building. They want to know the “why.”
- **Expressives** enjoy building relationships, but do not like focusing on day-to-day details; they like to paint a vision and inspire everyone to follow it. They like to focus on the “who.”
- Most people use a combination of styles, depending on the situation.

PART IV.

THE POWER OF EFFECTIVE COMMUNICATION

Learning Objectives

1. Describe the elements of effective business communication.
2. Examine the implications of different types of verbal and nonverbal communication.
3. Understand the appropriate etiquette for business communication.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=79#oembed-1>

4.1 READY, SET, COMMUNICATE

- A text message.
- A voice mail.
- A passing comment.
- A Facebook post.
- An unreturned phone call.

Have you ever had one of these communications be misinterpreted? You meant one thing, but your friend thought you meant something else? Sometimes, the miscommunication can result in the confusion of a meeting time or a place to get together. Or worse, it can be entirely misunderstood and the communication may have a negative impact on your relationship.

Communication, the exchange of information or ideas between sender and receiver, is a challenging aspect in your personal life, at school, and especially in selling. Today, it's even more complex with business being conducted around the world and with various communication methods. Did you ever hear the saying, "You only have one chance to make a good first impression"? It couldn't be truer when it comes to communication: the first few seconds of communication are important because once an opinion is formed, it is very difficult to change an opinion even with lots of evidence to the contrary.¹

Communication has often been referred to as a soft skill, which includes other competencies such as social graces, personality traits, language abilities, and ability to work with other people. Soft skills also encompass emotional intelligence, which Adele B. Lynn, in her book *The EQ Interview: Finding Employees with High Emotional Intelligence*, defines as "a person's ability to manage herself as well as her relationship with others so she can live her intentions."² But in today's business world, communication has become part of the new "hard skills" category, a technical job requirement, because of the critical role that it plays in business.³ According to Peter Post, great-grandson of the late Emily Post, "Your skills can get you in the door; your people skills are what can seal the deal."⁴

MISUNDERSTOOD = MISCOMMUNICATED

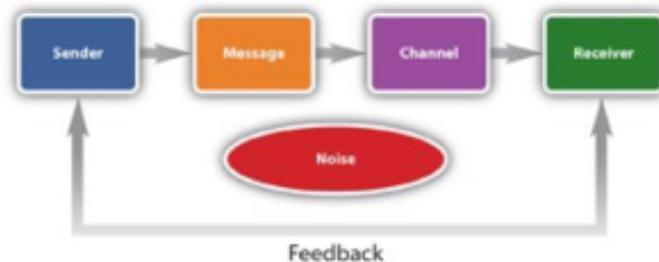
It is almost impossible to be in sales without developing relationships inside your organization and with your customers. Your relationship skills build trust, allow you to be a true partner, and help solve your customer's problems; both internal trust and external communication are essential keys to your ability to deliver on your promises. How are these qualities intrinsically related? The way in which

1. Psychology today. (2020). *First impressions*. Psychology today. <https://www.psychologytoday.com/ca/basics/first-impressions>
2. Selling power. (2008, October 15). *Interviewing for emotional intelligence*. Selling power. <http://www.sellingpower.com/content/newsletter/issue.php?pc=878>
3. Buhler, P. (2009, July). Managing in the New Millennium: Six Tips to More Effective Communication. *Supervision*, 70(7), 19.
4. The Emily Post Institute Inc. (2020). *Emily Post Etiquette*. <https://emilypost.com/>

you communicate can determine the level of trust that your colleagues or customers have in you.⁵ Just as relationships are the cornerstone of trust, communication is the foundation of relationships but it is difficult to establish and develop relationships; it takes work and a lot of clear communication. You might think that sounds simple, but consider this: nearly 75 percent of communications that are received are interpreted incorrectly. At the same time, interestingly, many people consider themselves good communicators. The telling disconnect occurs because people tend to assume that they know what other people mean or people assume that others know what they mean. This is compounded by the fact that people tend to hear what they want to hear—that is, a person may interpret elements of a conversation in such a way that the taken meanings contribute to their already established beliefs. When you put these assumptions together, communication can easily become “miscommunication.”⁶

THE COMMUNICATION MODEL

The standard model of communication has evolved based on two parties—the sender and the receiver— exchanging information or ideas. The model includes major processes and functions categorized as encoding, decoding, response, and feedback. In addition, the model accounts for noise, which symbolizes anything that might disrupt the sending or receiving of a message.⁷



Traditional Communication Process. Source: Adapted from Michael R. Solomon, Greg W. Marshall, and Elnora W. Stewart, Marketing: Real People, Real Choices, 5th ed. (Upper Saddle River, NJ: Pearson Prentice Hall, 2008), 378.

The model helps describe exactly how communication takes place. For example, if you send a text message to your friend to ask them if they want to go a movie, you are the source, or sender, of the message. You translated or encoded your message into text characters. A cell phone is the channel, or the method by which you communicated your message. Chances are, if your friend does not have their cell phone with them, your message will not reach them, and you might miss the movie. So in this example, the cell phone is the channel. When your friend, the receiver, reads the message, they decode it or determine what you meant to communicate, and then they respond. If they were talking to another friend while they were reading your text message and didn't see the time the movie started, that conversation would be considered noise because it would be interfering with the communication of your message. Noise interferes with communication or causes distraction, whether it is heard or seen. When your friend responds to you by saying that they want to go see the movie, they are

5. Thomas, G., Zoliln, R., & Ha4rman, J. (2009, July). The Central Role of Communication in Developing Trust and Its Effect on Employee Involvement. *Journal of Business Communication* 46 (3), 287.

6. Buhler, P. (2009, July). Managing in the New Millennium: Six Tips to More Effective Communication. *Supervision*, 70 (7), 19.

7. Belch, G., & Belch, M. (2018). *Advertising and Promotion: An Integrated Marketing Communications Perspective* (8th ed.). McGraw-Hill Irwin, 146.

providing feedback (or a response to your message). This example shows how the communication is applied.

The same thing can happen in a selling situation. For example, if you call a prospect to set up a meeting, you are the sender. The message is the meeting information (e.g., date, time, and place) that you encode into words. The channel is the telephone, and the receiver is the prospect. It sounds easy enough. Assume, however, that the prospect responds to you and agrees to the meeting but because they were checking their email while they were talking to you (which is noise), they put the wrong time on their calendar. When you come for the appointment, they are out of the office, and your sales call doesn't take place. Now you have to start the communication process all over again. This is only an example of simply setting up a meeting.

Now imagine the challenges if you started explaining the features and benefits of a complex product or negotiating a contract. You can see why understanding the communication process is so important in selling.



Communication Process Example

Did You Know...?

- Positive e-mail messages are likely to be interpreted as neutral.
- Neutral e-mail messages are likely to be perceived as negative.
- People who send e-mails overrate their ability to communicate feelings.
- There is a gap between how a sender *feels* when they write the e-mail and the way the emotional content is communicated that can cause an error in decoding on the part of the receiver.
- One simple e-mail can lead to a communication debacle if the e-mail is not clearly written and well thought out from the recipient's point of view.⁸

8. Dean, J. (2007, October 7). *Avoid Email Miscommunication*. PsyBlog. <http://www.spring.org.uk/2007/10/avoid-email-miscommunication.php>

EFFECTIVE COMMUNICATION

How do you avoid the pitfalls of poor communication and build productive business relationships? It's best to always communicate in a timely manner and in the method that your customer prefers. That may be easier said than done. Here are six tips that can help you increase your chances of making your communications effective.

Tip 1: Empathy Is Essential

One of the key elements of being a good communicator is having empathy. That means thinking about your communication from the receiver's point of view. It's focusing on what they want to learn as a result of your communication, not what you want to tell them. Empathy is about demonstrating that you care about the other person's situation. Think about when you received your acceptance letter from college; the letter probably mentioned what an exciting time it is in your life. The author of the letter demonstrated empathy because they focused on the situation from your perspective. A purely factual letter, without empathy, might have said that you were accepted and that now the school can make their budget since they met their enrollment goal. That would be quite a different letter and would make you feel very different (and probably not very welcome). Empathy fits with emotional intelligence (discussed earlier in this chapter) as a sales skill because it's the ability to know what another person is thinking or feeling. "Without empathy in sales, a salesperson can't influence others, and prospects don't buy from salespeople who don't understand them".⁹ Empathy is an integral part of emotional connection, one of the elements of a brand that you learned about in Chapter 1. (Keep in mind that when you are in sales, you are the brand to the customer.) It is especially important to have an emotional connection and empathy when apologizing to customers. Chances are the customer is already angry, or at least disappointed, when you are not able to deliver as expected. You can express empathy in your communications by saying or writing, "You have every right to be upset. I understand how you must feel. I apologize for the late delivery. Let's work on a new process that will help prevent it from happening again."¹⁰ For example, the letter from then JetBlue CEO David Neeleman shown in Figure 5.3 is an example of a letter of apology that demonstrates empathy and emotional connection and also offers corrective action.

Figure 543: Letter of Apology from JetBlue (2010)

9. Stanley, C. (2020). *Are you missing this powerful selling skill?* Quotable by Salesforce. <https://www.salesforce.com/quotable/articles/powerful-selling-skill/>

10. Guffey, M. (2008). *Business Communication* (6th ed). South-Western Publishing, 280.

An apology from David Neeleman

Dear JetBlue Customers,

We are sorry and embarrassed. But most of all, we are deeply sorry.

Last week was the worst operational week in JetBlue's seven year history. Many of you were either stranded, delayed or had flights cancelled following the severe winter ice storm in the Northeast. The storm disrupted the movement of aircraft, and, more importantly, disrupted the movement of JetBlue's pilot and inflight crewmembers who were depending on those planes to get them to the airports where they were scheduled to serve you. With the busy President's Day weekend upon us, rebooking opportunities were scarce and hold times at 1-800-JETBLUE were unusually long or not even available, further hindering our recovery efforts.

Words cannot express how truly sorry we are for the anxiety, frustration and inconvenience that you, your family, friends and colleagues experienced. This is especially saddening because JetBlue was founded on the promise of bringing humanity back to air travel, and making the experience of flying happier and easier for everyone who chooses to fly with us. We know we failed to deliver on this promise last week.

We are committed to you, our valued customers, and are taking immediate corrective steps to regain your confidence in us. We have begun putting a comprehensive plan in place to provide better and more timely information to you, more tools and resources for our crewmembers and improved procedures for handling operational difficulties. Most importantly, we have published the JetBlue Airways Customer Bill of Rights – our official commitment to you of how we will handle operational interruptions going forward – including details of compensation. We invite you to learn more at jetblue.com/promise.

You deserved better - a lot better - from us last week and we let you down. Nothing is more important than regaining your trust and all of us here hope you will give us the opportunity to once again welcome you onboard and provide you the positive JetBlue Experience you have come to expect from us.

Sincerely,



David Neeleman
Founder and CEO

Tip 2: Think Before You Communicate

Quick responses, whether verbal or via electronic methods, can be less effective than those that are considered and can even cause misunderstanding. Although a timely response is critical, it's worth a few minutes to think about exactly what you want to say before you say it (or type it).

Tip 3: Be Clear

It seems obvious, but not everyone is clear in their communications. Sometimes, people are trying to avoid “bad news” or trying to avoid taking a stand on a topic. It’s always best to avoid confusion and clearly say what you mean by framing your message in a way that is easily understood by all receivers. It’s also a good idea to avoid buzz words (or jargon)—those words, phrases, or acronyms that are used only in your company. If they can’t be avoided, explain them in the same communication terms. You should also avoid jargon on your résumé and cover letter—help your reader see your brand story at a glance without needing a decoder ring.

Tip 4: Be Brief

Business communication should be short and to the point. Your customers are busy and need information—whether it’s a proposal, report, or follow-up to a question—in a clear, concise way. Brevity is powerful—people who can speak or write concisely and to the point are more successful.¹¹

Tip 5: Be Specific

If you go to dinner at the Cheesecake Factory and there is a wait to get a table, the host will hand you a portable pager or take your cell phone number and tell you that the wait will be twenty to twenty-five minutes. Perfect. You have just enough time to run a quick errand at a nearby store at the mall and be back in time to get your table. If, on the other hand, they told you that you will be seated shortly, you might have an expectation of being seated in five to ten minutes. Meanwhile, “shortly” might mean twenty to twenty-five minutes for them. You would probably forgo running your errand because you think you are going to be seated soon but end up waiting for twenty-five minutes and being frustrated. Being specific in your communication not only gives clarity to your message but also helps set your customer’s expectations. In other words, your customer won’t expect something you can’t deliver if you are clear about what exactly you can deliver and when. Specificity avoids surprises and sets expectations. Examples of general statements that can be communicated more effectively when made into specific statements can be found in Table 5.1.

Table 5.1: General versus Specific Statements

General Statement	Specific Statement
I’ll get back to you shortly.	I’ll get back to you by Tuesday.
It will only take a few minutes.	It will take less than 5 minutes.
It will cost about \$5,000 plus installation.	The cost is \$4,800 plus \$200 for installation.
Everything is included.	It includes your choice of entrée, vegetable, dessert, and coffee.

Tip 6: Be Timely

Timing is everything in life and most certainly in selling. It’s best to be proactive with communication, and if you owe someone a response, do it sooner rather than later. If you are slow to respond to questions and communication, it will be difficult to develop trust, as prolonged responses may seem to imply that you are taking action without informing the customer what it is you are doing. In 2011 the Harvard Business Review wrote that one hour was considered “timely”—“when companies reached

11. Mackay, H. (2017, August 21). Brevity is the soul of communicating. *The Business Journals*. <https://www.bizjournals.com/bizjournals/how-to/growth-strategies/2017/08/brevity-is-the-soul-of-communicating.html>

out to prospects within an hour, they were seven times more likely to qualify the lead”.¹² Timing is especially important when you are communicating a negative response or bad news. Don’t put it off; do it as soon as possible and give your customer the benefit of complete information.

Rules of Engagement

At the beginning of each relationship, ask your customer how they prefer to communicate. Getting the answers to these simple questions will save time and confusion throughout your relationship and help ensure good communication.

- How do you prefer to receive regular communication (e-mail, text, phone, in person, hard copy)?
- What can I expect as a standard turnaround time for response to questions and issues?
- How do you prefer to receive urgent communication (e-mail, text, phone)?
- Who else (if anyone) in the organization would you like to also receive communication from me?
- When is the best time to touch base with you (early morning, midday, or later in the afternoon)?
- How frequently would you like a status update and in what format (e-mail, phone, in person)?

LISTEN UP

While you may think you are ready to communicate, it’s a good idea to stop and listen first. Creating your message is only half of communication; listening is the other half. But it’s difficult to listen because we listen faster than we speak—that is, based on what the other person is saying, we are already constructing responses in our minds before they have even finished. As a result, many people are guilty of “listening too fast.”¹³ Listening, in fact, is so important that companies like Starbucks believe that it may directly improve profits. According to Alan Gulick, a Starbucks Corporation spokesperson, if every Starbucks employee misheard one \$10 order each day, it would cost the company one billion dollars in a year. That’s why Starbucks has a process to teach their employees how to listen.¹⁴ Although listening may seem passive, it is actively linked to success so it’s worth it to hone your listening skills now so that when you get into the business world you can be successful. Here are a few tips:

- *Use active listening.* Confirm that you heard the sender correctly by saying something like, “Just

12. Maksymiw, A. (2014, June 25). *Timeliness matters: 3 ways to stay ahead in sales*. Business2Community.

<https://www.business2community.com/strategy/timeliness-matters-3-ways-stay-ahead-sales-0918871>

13. Dunning, J. (2001, May 15). How to Improve Your Listening Skills, Avoid Mix-ups. *Ophthalmology Times*, 26, (10), 28.

14. Communication barriers. (n.d.). *Organizational Behavior*. <https://pressbooks.bccampus.ca/obcourseweir/chapter/8-3-communication-barriers/>

to be sure I understand, we are going to move forward with twelve cases for your initial order, then revisit your inventory in five days.” Review the communication model in this chapter and take notice of the importance of decoding. If you decode a message from your customer incorrectly, the communication is ineffective and could even be costly. In the example above, the customer might have said in response, “I meant that the initial order should be five cases, and we’ll revisit the inventory in twelve days.” That’s a big difference.

- *Ask questions.* Questions are a way to gather more information and learn about your customer and their business. They are also an excellent way to demonstrate that you are communicating by listening. You learned in that asking the right questions is critical to being a successful salesperson. Focus on listening and asking the right questions, and you’ll be rewarded with great information.
- *Focus.* Although multitasking has seemingly become a modern virtue, focus actually helps create more effective communication. Stop and focus on your customer when he is speaking. This is a sign of respect, and this concentration allows you to absorb more information. Take notes to remember exactly what you discussed. There’s nothing more important than what your customer has to say.¹⁵
- *Take notes.* While it may seem like you will remember everything that is said at a meeting or during a conversation, taking notes signals that you are listening, and it provides you with an accurate record of what was said.

Listen More, Talk Less. Watch the video Inside sales Skills Revealed by Julie Feigon for some challenges and tips for listening in sales.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=83#oembed-1>

THERE’S MORE TO COMMUNICATION THAN MEETS THE EYE...OR EAR

It’s important to remember that you will be communicating with many different people about many different topics in selling. Sometimes, you will be communicating one-on-one and sometimes you will be communicating with a group. Just as people have varying social styles it’s important to know that people also absorb information differently. Research conducted in the 1970s indicates that people comprehend information in four distinct ways:

1. **Why:** They want to know the reasons for doing something.
2. **What:** They want to know the facts about it.
3. **How:** They want to know only the information they need to get it done.
4. **What if:** They want to know the consequences of doing it.

15. Dunning, J. (2001, May 15). How to Improve Your Listening Skills, Avoid Mix-ups. *Ophthalmology Times*, 26, (10), 28.

This can be a helpful road map of the elements you will want to include in your communications, especially if you are communicating with a group, since you may not know everyone's best method of absorbing information. It's been proven that if people don't receive the type of communication they prefer, they tend to tune out or reject the information.

You've probably noticed that both people and brands communicate the same message multiple times and usually in multiple ways. Creative repetition is key to successful communication. Think about the advertising Pepsi ran when it launched its new logo in early 2009; it used a television commercial during the Super Bowl, created a billboard in a high-traffic area of a major city, part of an e-mail and banner ads campaign, could be viewed on YouTube, and of course all of the packaging had the new logo. Pepsi's ad campaign illustrates the "three-times convincer" concept, which claims that 80 percent of people need to be exposed a message three times to buy into it, 15 percent need to be exposed to it five times, and 5 percent need to be exposed to it up to twenty-five times.¹⁶

16. Zmuda, N. 2009, January 19). *Pepsi, Coke Try to Outdo Each Other with Rays of Sunshine*. Advertising Age. http://adage.com/abstract.php?article_id=133859

4.2 YOUR BEST BEHAVIOUR

You probably learned about table manners, thank-you notes, and other forms of etiquette when you were younger. The way you conduct yourself says a lot about who you are in life and, by extension, in business. Although many companies have a casual dress code, don't be quick to assume that protocol and established practices aren't important. It would be easy to misinterpret lack of formality as lack of professionalism. Manners matter in selling, now more than ever.

NEVER UNDERESTIMATE THE POWER OF GOOD ETIQUETTE

How do you make a positive impression when you meet someone? What's the best way to ask for them business card? When is it appropriate or expected to send a thank-you note? Who picks up the bill at a business lunch? It's hard to know the "rules of the road," especially in today's casual, fast-paced selling environment. Etiquette can make the difference in how your customer perceives you and your personal brand.

ETIQUETTE TIPS FOR CONVERSATIONS, MEETINGS, AND PRESENTATIONS

Although common sense should prevail in all business communications, here are some tips that will help make your conversations, meetings, and presentations more effective forms of communication:

- Be prepared; don't waste anyone's time or focus.
- Prepare a written agenda and hand it out at the start of the meeting to keep the group focused on the desired topics.
- Speak clearly and at a volume that is easy to hear, but not too loud so as to be distracting.
- Be professional and respectful; don't interrupt when others are speaking.
- Use eye contact.
- At the end, recap your key points and identify next steps.

In sales, time is money so conducting effective and efficient meetings is critical to your success.

ETIQUETTE FOR REQUESTING AND GIVING BUSINESS CARDS

"A person worth knowing always carries business cards with him or her. That's how you put value not just on the card itself, but also on everything it embodies—your profession, company, brand, etc."¹ Business cards are a branding tool for your company and a way to stay in touch with your customers and other people in your network.² In fact, giving out and requesting a business card is considered

1. Tazon-Corre, J. (2017, January 18). *Business card etiquette: 6 rules to remember when giving and receiving business cards*. LinkedIn. <https://www.linkedin.com/pulse/business-card-etiquette-6-rules-remember-when-giving-tazon-corre>

2. Miss E. (2009). *The Art of Giving Business Cards*. 123etiquette.com. <http://www.123etiquette.com/business-etiquette/business-card-etiquette>

good etiquette.³ See the earlier chapter on what to put on your business cards. Here are some tips to exchange business cards in a professional manner:

- Carry your business cards in a case so they don't wear out or tear as a crumpled business card makes a poor first impression.⁴
- Never leave home without them. It is unprofessional to have to say "I didn't bring any with me".
- Present your card with the print facing the person receiving it.⁵
- Never force anyone to take your card.⁶
- When receiving a business card, take a minute to review the information to make sure you remember who gave you the card. Make any notes or comments on it later.⁷

Watch the YouTube video the Etiquette of Exchanging Business Cards.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=90#oembed-1>

ETIQUETTE FOR BUSINESS MEALS

The purpose of a business breakfast, lunch, or dinner is to get to know someone and build a relationship.

Table manners are a form of nonverbal communication, and impolite etiquette can reverse all the effort you have put into a relationship. Business meals are so important that many companies use business lunches or dinners as part of the interview process. Whatever the situation, you want to be prepared with proper etiquette for the occasion.

- A meal is considered a business meeting, no matter where it is held.⁸
- To help you remember which dishes and utensils to use, think **BMW**: **B**read plate on your left, **M**eal in the center, **W**ater goblet on the right.⁹ Use silverware starting at the outside and

3. Preston, B. *Good Business Etiquette Includes Giving Out Business Cards*. *Businessstoolchest.com*. <http://www.businessstoolchest.com/articles/data/20060201225647.html>

4. Ramsey, L. (2019, January 24). *Top 10 business card etiquette tips*. American Marketing Association. <https://www.amanet.org/articles/top-10-business-card-etiquette-tips/>

5. Tazon-Corre, J. (2017, January 18). *Business card etiquette: 6 rules to remember when giving and receiving business cards*. LinkedIn. <https://www.linkedin.com/pulse/business-card-etiquette-6-rules-remember-when-giving-tazon-corre>

6. Bergstrom, B. (2009, July 3). *Business Card Tips*. Orlando Business Journal. <http://orlando.bizjournals.com/orlando/stories/2009/07/06/smallb3.html?t=printable>

7. Bergstrom, B. (2009, July 3). *Business Card Tips*. Orlando Business Journal. <http://orlando.bizjournals.com/orlando/stories/2009/07/06/smallb3.html?t=printable>

8. Lee, L. (2009, June 5). *Meet and Eat*. Business Week. http://www.businessweek.com/magazine/content/09_66/s0906025664520.html.

work your way in as the meal progresses.

- As a general rule of thumb, the person who invites pays. If you are invited to lunch for an interview, your host pays. If you take a customer out to lunch, you pay.¹⁰
- Order simply with no messy foods (red sauces, finger foods) and take note of what our host orders. Paying attention to what your host orders will give you an idea of what you should order.¹¹
- Silence your cell phone.¹²
- Be courteous to the wait staff. Many people observe how you treat other people, even when you think no one is watching.

ETIQUETTE FOR THANK-YOU NOTES

There's nothing more personal than a thank-you note. For the most part, you and your customers are very busy, which is why a thank-you note is even more appreciated. Whether it's a handwritten note or an e-mail thank you, it will go a long way in building your relationship. It's a personal touch that sets you apart. It's never inappropriate to say thank you, but it may be inappropriate not to say thank you.

Here are some tips for writing thank-you notes:

- Start with a clear introduction and let the reader know right away that the purpose of the note or e-mail is to thank them.
- Be specific about the situation, date, or other information surrounding the reason for the thank-you note.
- Make it personal and make it special by including your own sentiments. A generic message such as "thanks for a great job" really doesn't fill the bill. Think about exactly what moved you to write the note and be sure your reader knows what she did that was special.¹³

Imagine getting a personalized handwritten thank-you note when you order a pair of shoes online. That's what SimplySoles.com does for each customer. Founder Kassie Rempel feels so strongly about thanking customers for their business that every customer who purchases a pair of shoes receives one; each note even mentions the name of the shoe that was purchased.¹⁴

9. Morris, J. (2008, November 21). *Not Knowing Basics Is Simply Impolite*. Nashville Business Journal. <http://www.bizjournals.com/nashville/stories/2008/11/24/focus2.html?t=printable>

10. McFadden, J. (2008, October 28). *Rules of Etiquette Are Important for the Business Lunch*. Milwaukee Business Journal. <http://www.bizjournals.com/milwaukee/stories/2008/10/27/focus4.html?t=printable>

11. Kolowich, L. (2017, July 28). *Business etiquette 101: the ultimate guide to surviving your next business dinner*. Hubspot. <https://blog.hubspot.com/marketing/business-dinner-etiquette-guide>

12. Kolowich, L. (2017, July 28). *Business etiquette 101: the ultimate guide to surviving your next business dinner*. Hubspot. <https://blog.hubspot.com/marketing/business-dinner-etiquette-guide>

13. Ward, T. (2008, May 18). *Expressing Gratitude in Writing Builds Business Networks*. Suite101.com. http://business-writing.suite101.com/article.cfm/business_thankyou_notes

14. Martin, J. (2018). *6 Companies Where Customers Come First*. CNNmoney.co. https://money.cnn.com/galleries/2007/fsb/0709/gallery.where_customers_come_first.fsb/5.html

ETIQUETTE TIPS FOR TELEPHONE, CELL PHONE, VOICE MAIL, AND CONFERENCE CALLS

Watch this e-How video about appropriate business etiquette.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=90#oembed-2>

Sometimes, the use of technology is entirely necessary to conduct business when personal interaction is impossible. It's important that verbal communication that is not face-to-face is effective and professional. Because you don't have the benefit of using or seeing the receiver's nonverbal communication, the challenges for effective and appropriate communication are even greater.

Here are some dos and don'ts of telephone etiquette:

- *Do* find the perfect volume for your voice and use it.
- *Do*, when using a speakerphone, conduct the call in an enclosed or isolated area such as a conference room or office to avoid disturbing others in the area.
- *Do*, speak slowly and spell your name when leaving a voice message. Make sure you identify the time that you called and your phone number. Identify the purpose of the call and when they can reach you when they call back so that you avoid telephone tag.¹⁵
- *Do* customize your voice mail message: create a different message for each of your customers or prospective customers so the message is personal and relevant.¹⁶
- *Do* speak with enthusiasm: it's best to convey a smile in your voice, especially if it is the first time you are calling or leaving a message for someone.¹⁷
- *Don't* make or take another call or text during a meeting.
- *Don't* discuss confidential issues in public areas—you never know who might be listening.
- *Don't* eat, drink, or chew gum when leaving a voice mail or talking on the phone.
- *Don't* leave a long, rambling voice mail message: keep the length between 20 and 30 seconds.¹⁸
- *Do practice* beforehand.

Watch the Howcast video [How to Practice Good Phone and Email Etiquette at Work](#)

15. Quain, J. (2007, December 18). *Quain's Top Ten Voice Mail Tips*. *Fast Company*. <http://www.fastcompany.com/magazine/18/topten.html>
16. Rosen, K. (2020). Eight tips on crafting effective voice messages. AllBusiness. <https://www.allbusiness.com/create-voice-mail-messages-that-get-projects-calling-back-2975818-1.html>
17. Rosen, K. (2020). *Eight tips on crafting effective voice messages*. AllBusiness. <https://www.allbusiness.com/create-voice-mail-messages-that-get-projects-calling-back-2975818-1.html>
18. Hoffman, J. (2019, February 21). *19 tips to leave the perfect sales voicemail*. Hubspot. <https://blog.hubspot.com/sales/tips-to-leave-the-perfect-sales-voicemail>



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=90#oembed-3>

4.3 TYPES OF COMMUNICATION

It is important to use multiple types of communication so that repetition does not become boring like a broken record. There are three types of communication: **verbal**, which involves speaking to one or many people to convey a message; **nonverbal**, which includes body language and other observations about people; and **written**, which includes a message that is read in hard copy, e-mail, text message, instant message, Facebook, Twitter, blog, or other Internet-based written communication. Varying the usage of these mediums can help ensure your customer's attention, but you must carefully develop each skill separately to communicate effectively.

VERBAL COMMUNICATION

An introduction, a presentation, a telephone conversation, a videoconference call: these are all examples of verbal communication because information is transmitted orally. Despite the ubiquitous use of technology in the business world, verbal communication is the most common method of exchanging information and ideas. Verbal communication is powerful, fast, and natural and includes voice inflections that help senders and receivers understand the message more clearly. The downside to verbal communication is that once it is spoken, the words are essentially gone; they are preserved only in the memory of those present, and sometimes the memories of the specific words spoken vary dramatically. Recall is rarely exactly the same between two or more people.

The Impact of Intonation¹

Sentence	Meaning
I borrowed your book.	I was the one who took your book.
I borrowed your book.	I didn't take your book.
I borrowed your book.	Your book was the one I borrowed.
I borrowed your book .	I borrowed your book, not your laptop.

Voice inflection, the verbal emphasis you put on certain words, can have a significant impact on the meaning of what you say. In fact, the same words can take on completely different meaning based on the inflection you use.

For example, if you say the sentence in with an inflection on a different word each time, the sentence communicates something completely different each time.

Verbal communication may take place face-to-face, such as an in-person conversation or group meeting, speech, or presentation. It could also take place by phone in an individual conversation, a conference call, or even a voice mail. Other forms of verbal communication include videoconferences, podcasts, and Webinars, which are increasingly common in business. All these methods allow you to use inflection to communicate effectively. Face-to-face meetings also provide the opportunity to use and interpret other visual cues to increase the effectiveness of your communication. Verbal communication is especially important throughout the steps of the selling process. Your choice of

1. Based on ideas in Kiely, M. (October, 1993). When "no" means "yes." *Marketing*, 7-9.

words can make the difference in someone's decision to first hear your sales presentation, and your presentation can determine whether that person will purchase your product or service. You will learn more specifically about how communication is used throughout the selling process covered in later chapters.

NONVERBAL COMMUNICATION

Imagine that you are in a retail store buying a suit for an interview. When the salesperson approaches you, they smile, makes eye contact, and shake your hand. You respond positively. You notice that they are dressed professionally, so they make you feel as if you will receive good fashion advice from them. When you make your choice, the tailor comes over wearing a tape measure around their neck. You know they are a professional and you can trust them to alter your new suit properly. On the other hand, if the salesperson waits on you only after you interrupt their personal phone call, doesn't make eye contact or shake your hand, acts as if they are bored being at work, and is dressed in worn jeans and flip-flops, it's unlikely that you trust them to help you choose your suit.

You have, no doubt, used and noticed nonverbal communication in virtually every personal encounter you have had. Think about it: a gesture, a smile, a nod, eye contact, what you are wearing, the fact that you are frequently checking your cell phone for text messages, and how close you stand to someone are all examples of nonverbal communication. Nonverbal communication is extremely powerful. In fact, some studies indicate that the influence from nonverbal communication such as tone and visuals can have a greater impact than the spoken words.

Dr. Albert Mehrabian, a famed psychologist and professor emeritus of psychology at University of California, Los Angeles, is considered a pioneer in the area of body language and nonverbal communication. His research includes an equation, called the Mehrabian formula that is frequently used to define the relative impact of verbal and nonverbal messages based on experiments of communication of feelings and attitudes:²

- 7% of meaning in the words that are spoken.
- 38% of meaning is paralinguistic (the way that the words are said).
- 55% of meaning is in facial expression.

The formula reflects how we interpret meaning during communication. In the formula, you can see that only 7% of the meaning in a conversation is from the actual words spoken where as 38% is in the way we speak the words and a whopping 55% is in our facial expressions. Miscommunication occurs when facial expressions contradict words, and then people tend to believe the facial expressions.³ In sales, it would be important to recognize this to ensure that your words match your intonation and your facial expressions.

TYPES OF NONVERBAL COMMUNICATION

- Handshake
- Body language

2. BusinessBalls. (n.d.). *Mehrabian's communication theory: verbal, non-verbal, and body language*. Business balls. <https://www.businessballs.com/communication-skills/mehrabians-communication-theory-verbal-non-verbal-body-language/>

3. Ibid.

- Gestures
- Nodding or shaking your head
- Eye contact (or lack of eye contact)
- Eye roll
- Facial expressions
- Touch
- Space or proximity
- Dress
- Multitasking (e.g., texting while listening to someone, earphones in ears while working)

YOUR HANDSHAKE SAYS IT ALL

In some countries, you might bow when you meet someone; in others you might kiss; but when you meet someone for a business meeting in most countries, it's best to shake hands (hand shaking is used across all continents to various degrees).⁴ When you shake hands with people at a meeting, they are two times more likely to remember you than if you don't shake hands.⁵ So, it is important to understand the handshake as a business too. A good handshake is essential in business; it is the first nonverbal cue that you give to the person with whom you are meeting. It's so important to have a good handshake that a recent study conducted at the University of Iowa showed that during mock interviews, those students who scored as having a better handshake were also considered more hireable by interviewers.⁶ Do you think you have a good handshake? Believe it or not, it's worth practicing your handshake. Here are five tips for a good handshake:

1. Extend your right hand when you are approximately three feet away from the person with whom you want to shake hands.⁷
2. Make eye contact and smile.⁸
3. Keep your wrist straight and lock hands connecting your hand with the same part of the other person's hand. Apply appropriate pressure; don't crush the person's hand.
4. Shake up and down three or four times.
5. Avoid the "wet fish" handshake. This is where practice is really important. The more you shake hands, the less nervous you will be.

4. Hill, M. (n.d.). *Etiquette-handshakes and greetings worldwide*. LuxeWorld. <https://luxebatmag.com/global-etiquette-handshakes-greetings-worldwide/>

5. Zuppek, R. (2009, July 13). *The Worst Way to Shake hands*. CNN. <http://www.cnn.com/2007/LIVING/worklife/11/05/cb.hand.shake/index.html>

6. BC Jobs. (2020, May 1). *Good Handshake Key to Interview Success*. BC Jobs. <http://www.bcjobs.ca/re/career-advice/career-advice-articles/interview-advice/good-handshake-key-to-interview-success>

7. Zuppek, R. (2009, July 13). *The Worst Way to Shake hands*. CNN. <http://www.cnn.com/2007/LIVING/worklife/11/05/cb.hand.shake/index.html>

8. Mayne, D. (2020, February 10). *7 tips on proper handshake etiquette*. The Spruce. <https://www.thespruce.com/handshake-etiquette-p2-1216847>

A handshake is your opportunity to use multiple types of nonverbal communication to get your meeting or interview off to a good start.

BODY LANGUAGE

Do you use your hands when you talk? If so, you are using body language to help make your point. But body language includes more than talking with your hands. Body language is what we say without words; nonverbal communication using your body includes elements such as gestures, facial expressions, eye contact, a head tilt, a nod, and even where and how you sit. Body language can indicate an unspoken emotion or sentiment that a person might be feeling either consciously or subconsciously. Body language can indicate if you are listening to someone and are engaged in what they are saying, disagreeing with them, or getting bored. (You might want to think twice about the body language you are using in class.) It is important that you are aware of what you communicate with your body language and to understand and respond to the cues you are getting from someone else's body language. Some research indicates that body language may account for between 60 and 65 percent of all communication.⁹ This number may be a little high but it is clear that body language does play a role in our communication. Here are some common body language examples and meaning.¹⁰

- Crossed arms and legs: resistance to your ideas
- Glancing at watch: concerned about time or bored
- Real smiles crinkle the eyes
- Raised eyebrows: discomfort
- Exaggerated nodding: anxiety about approval
- Clenched jaw: stress
- Hands on hips: ready and in control
- Tapping fingers or fidgeting: bored, impatient or frustrated

Body language is not just an interesting topic to consider; it's a proven science that can help you improve your communication. **Make eye contact** with the person to whom you are speaking. **Smile** when you meet someone and throughout the conversation. A smile is a positive response to another person and has a significant impact on how people perceive you. A smile can break the ice and help you start a conversation. **Dress for success** at all times, which means always dressing appropriately for the situation. Career counsellors recommend that people dress for the job they want—not the job they currently have (this is a key body language element in the first impression.¹¹ Even in very casual work environments, what you wear is a nonverbal communication about who you are. If you don't dress for the next promotion, chances are you won't be considered for it. Be aware of the company policy and dress code, and if in doubt, dress more conservatively.

Watch the YouTube video *The Power of Body Language* with Tonya Reiman, body language expert.

9. Foley GN, Gentile JP. Nonverbal communication in psychotherapy. *Psychiatry*, 7(6):38-44.

10. Bradbury, T. (2017, May 5). *8 ways to read someone's body language*. Inc. <https://www.inc.com/travis-bradberry/8-great-tricks-for-reading-peoples-body-language.html>

11. Goman, C. (2012, March 20). *What it really means to dress for success*. Forbes. <https://www.forbes.com/sites/carolkinseygoman/2012/03/20/what-it-really-means-to-dress-for-success/#1c8a53c71a2e>



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WRITTEN COMMUNICATION

Although verbal and nonverbal communications usually take place in real time, written communication has a longer consideration period. The sender must encode the message in words to be communicated on paper or a screen.¹² Business reports, proposals, memos, e-mails, text messages, Web sites, blogs, wikis, and more are all examples of written communication. Each of them is created over a period of time and can include collaboration from multiple people. Collaboration is especially important for communicating, planning, and creating documents so many people use tools such as wikis to share documents.

Written communication is preferred to verbal communication when careful consideration is important or the information needs to be permanent, such as a company policy, sales presentation, or proposal. Written communication can also take place when verbal communication is not an option, like when you need to respond to an e-mail or text message at 1:00 a.m. Although verbal communication is faster and more natural than written communication, each has its pros and cons. Generally, written communication is better at conveying facts, while verbal communication is better at conveying feelings.

Verbal communication has another significant drawback: consider the fact that humans listen much faster than they speak. For example, the average public speaker speaks at about 125 words per minute. Although this sounds natural, the average person can listen at 400 to 500 words per minute. That means that listeners' minds have time and space to wander, which can affect the effectiveness of verbal communication.¹³ (You may have noticed your mind wandering during a class lecture—even if you found the topic interesting.)

Written communication requires a good command of the English language, including the rules of grammar and spelling. If you think that business exists solely on quick instant messages and text messages, you might be surprised to learn that they are only a portion of the communication within a company and between the company's vendors and other partners. Because the nature of written communication is such that it allows time for consideration and composition, the standards for writing are much higher than for a casual conversation.

Customers and colleagues alike expect clear, concise written communications with proper grammar and spelling. Because written communication lasts a long time—whether on paper or on the Internet—errors or misstatements exist for an irritatingly long time. Whether you are writing a proposal, a presentation, a report, a meeting recap, or a follow-up e-mail, it's best to take the time to think about your communication and craft it so that it is effective.

12. Carey, H. (2000). *Communication in extensions: a teaching and learning guide*. Food & Agriculture Org.

13. Lee, D. & Hatesohl, D. (1993, October). *Listening: our most used communications skill*. Extension and Agriculture Information. <https://extension2.missouri.edu/cm150>

TIPS

Watch the eHow YouTube video *Social & Business Writing: How to Write a Business Letter*.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=88#oembed-2>

Consider using the following tips:

- **Be short and sweet:** Shorter is always better when it comes to business correspondence. It's best to include all pertinent facts with concise information. If you write your communication with the receiver in mind, it will be easier to make it shorter and more effective.
- **Grammar, please:** Sentences should be structured correctly and use proper grammar, including a subject and a verb in each sentence. Upper and lower case letters with proper grammar provides a good first impression regardless if you are writing a memo, letter, blog or social media post.¹⁴ If writing is not your strong suit, visit your campus student services office or learning center to provide information about upcoming writing clinics and access to other tools that can help improve your writing skills.
- **Check spelling:** Use the spell-check tool on your computer. There is no excuse for a misspelled word. Text abbreviations are not acceptable in business correspondence.
- **Read before you send:** Reread your document or electronic communication before it goes out. Is everything complete? Is it clear? Is it something you will be proud of days or weeks later? Take the extra time to review before you send. It is difficult to revise a communication as revisions cause confusion.
- **Just the facts:** Stick to the facts to maximize the impact of your written communications; leave the emotional topics for verbal dialogue. For example, send an e-mail to confirm meeting time, date, and location; use a verbal communication for the content of the meeting to be discussed, such as a negotiation.

14. Scaros, C. (2016, May 2). *The importance of good grammar in business communications*. LinkedIn. <https://www.linkedin.com/pulse/importance-good-grammar-business-communications-cecile-scaros>



Moore Manufacturing Group 575 Parkland Avenue Lake Forest, IL 60515

August 28, 2009

Ms. Janice Lee
Buyer
Universal Parts, Inc.
101 Corporate Drive
Deerfield, IL 60511

Dear Ms. Lee,

Productivity and cost savings are even more critical today than ever before. But you can't afford to give up customer service for reduced costs. You deserve impeccable service from a supplier who also keeps costs among the lowest in the industry.

Based on the research I have done on Universal Parts, it appears that switching to Moore Manufacturing could save you as much as 12% on your annual purchases. In addition, you would have a dedicated customer service expert available to you 24/7 for any questions or issues you may have.

I'd like the opportunity to meet with you and learn more about your priorities and business challenges. I will call you on Tuesday to set up a time that is convenient for you.

In the meantime, you might find it interesting to review the attached audit that was conducted on your current offering. It reflects where you can potentially realize savings.

Sincerely,

Rachel Grossman

Rachel Grossman
Account Manager

Attachment



Good to be Green.com
Internal Memo

TO: Jason Sedgewick
FROM: Abe Forte
RE: September 12 Sales Meeting

The quarterly sales meeting will be held on September 12 at the Radisson City Center. You are cordially invited to participate in the interactive planning session at 10:00 a.m. Your insights will be extremely valuable as the sales team frames the plan for next year.

Please confirm your attendance by Friday by calling me at x5432 or by e-mailing me at afort@goodtobegreen.com.

Thanks in advance for your participation.

CC: Alena Adamonis
BCC: Justin Jankowski

Memo example

WHICH IS BEST?

Although verbal, nonverbal, and written communication all play a role in your communication with your customers, you might be wondering which one is best. It depends on your customer and on the situation. Some customers want to work day to day using all the latest technology tools, including text messaging, social networking, Web conferences, wikis, and more. Other customers prefer more traditional face-to-face meetings, phone calls, and some e-mail correspondence. Adapt to the method of communication that your customer prefers and not the other way around. In some situations, a face-to-face meeting is best—for instance, if you wish to discuss a complex issue, negotiate, or meet some additional members of the team. Sometimes, a face-to-face meeting isn't feasible, so other verbal communication methods such as a videoconference, phone call, or conference call can be efficient and effective if used properly. Chances are you will use a combination of communication types with each customer tailored to their particular preferences and situation. Be guided by the fact that you want to

keep your communication personal in meaning and professional in content. Think about it from the receiver's point of view, and deliver bad news verbally whenever possible.

4.4 REVIEW AND PRACTICE

POWER WRAP-UP

Now that you have read this chapter, you should be able to understand how to communicate effectively and with proper etiquette in business.

- You can **discuss** the communication model and how it works.
- You can **compare and contrast** the different types of communication: verbal, nonverbal, and written.
- You can **recognize** the strengths and weaknesses of each type of communication and when each is appropriate to use.
- You can **understand** the role of listening in effective communication.
- You can **recognize** the impact of nonverbal communication.
- You can **practice** how to shake hands properly.
- You can **discuss** the appropriate etiquette for business situations, including the use of electronic devices.
- You can **understand** the role that informational interviews may play in your career search.

Exercises

Test Your Power Knowledge (answers are below)

1. Describe the difference between soft skills and hard skills.
2. Discuss two ways to demonstrate active listening.
3. Name the three types of communication. Identify at least one pro and one con for each one.
4. Which type and method of communication would you use to tell your boss that your car broke down and you can't make it to the customer presentation?
5. If you invite a customer to lunch, who should pay? If your customer invites you to lunch, who should pay?
6. When is it appropriate to write a thank-you note in sales?
7. Identify three situations in which it would be appropriate to have your electronic device such as a cell phone turned on in a meeting.

POWER (ROLE) PLAY

Now it's time to put what you've learned into practice. The following are two roles that are involved in the same selling situation—one role is the customer, and the other is the salesperson. This will give you the opportunity to think about this selling situation from the point of view of both the customer and the salesperson.

Read each role carefully along with the discussion questions. Then be prepared to play either of the roles in class using the concepts covered in this chapter. You may be asked to discuss the roles and do a role-play in groups or individually.

Safe and Secure

Role: Sales rep for Sun Security Systems for retail stores

You are meeting with a potential customer who is responsible for purchasing security systems for over two hundred retail stores. He is convinced that your company's security system is the one he wants to use, but he has to convince his boss. The key selling point in his mind, he mentions to you, is the fact that the system carries a money-back guarantee so that if anything happens, the company will be protected. You realize that he has misinterpreted the terms of the guarantee. It is a money-back guarantee only on the security system itself, not for any other loss. It appears that there was some miscommunication between all the meetings and follow-up e-mails.

- How would you tell this customer about the correct terms of the guarantee, even though it might be the sale at risk?
- Since you are meeting in person, what type of follow-up would you consider to ensure that the information is clearly understood? Why?
- What do you think caused this miscommunication?
- Using the communication model, describe what happened with the communication.

Role: Security manager at Argon Retail, Inc.

You have been looking at security systems for several months and reviewing the offering from different suppliers. Sun Security Systems appears to offer the best performance at the best value. The key selling feature is the money-back guarantee. It's a strong statement about how the company stands behind its products. This kind of low-risk investment is important to you and your company.

- Do you assume that what you heard or saw about the money-back guarantee is true? After all, it's up to the salesperson to be sure you're informed, right?
- If you probe the details with the salesperson, what questions will you ask to be sure you understand the terms of the guarantee?
- What type of communication will be best to learn about this information?

1. Discuss at least three reasons why informational interviews are good to do.
2. Invite someone on your informational interview list to come to class to speak about why he or she gives informational interviews.
3. Invite three people on your informational interview list and ask them to participate in a panel discussion in class about how to use informational interviews as an effective career search tool.

TEST YOUR POWER KNOWLEDGE ANSWERS

1. Soft skills include communication, relationship building, emotional intelligence, and the ability to interact with people. Hard skills are the technical skills required to perform your job, such as analytical skills in the finance area.
2. The sender is Axe (Clix); Nick Lachey acts as the spokesperson in this commercial. The message is that Clix is such a great scent that it attracts lots of women. The message is encoded in video: a commercial. The receiver is the viewer of the commercial, and the target audience is young men. The decoding occurs when a young man sees that Clix is so good that it can attract more women than Nick Lachey. The sender (Clix) gets feedback in several ways: when people view the video, when people post comments about the video or the product, and when people buy the product.
3. Repeat the information that you heard by saying, “Let me be sure I understand what you’re saying...,” nodding your head, and taking notes.
4. Verbal communication is best for communicating emotions because you can use or hear intonation. It is also natural and fast and provides instant feedback. However, verbal communication is gone in an instant (unless it’s recorded), and people remember what was said differently. Also, we speak at about 125 words per minute, but listen at about 400 to 500 words per minute, so people’s minds wander during a good amount of verbal communication. Nonverbal communication includes body language and any other type of communication that can be observed. Nonverbal communication can underscore a message, such as hand gestures, or can send a different signal than the spoken words, such as crossed arms or physical proximity. But sometimes people don’t realize the messages they are sending when they use nonverbal communication because it can be more difficult to interpret. Written communication is the most permanent of all communication types. It is usually considered and is used for formal business communication such as policies, pricing, and other information. Written communication lacks intonation and is best used for communicating factual information. Grammar and spelling are critical for written communication to be effective.
5. It would be best to call him to let her know. This would allow you the opportunity to demonstrate a high sense of urgency, explain the situation, and discuss possible options. It’s always best to communicate bad news (especially to your boss) verbally, whether in person or by phone.
6. You should pay when you invite. Although it is appropriate to let your customer pay for a

meal once in a while, it's usually expected that the salesperson's company will pick up the tab.

7. Whenever someone does something that is worth noting—referring you to a new prospect, hosting a productive meeting, being a great business partner, providing some information that was difficult to get, or any other situation that is worth a thank you—then note it. People rarely send thank-you notes, so it's an excellent way to set yourself apart. A thank-you e-mail is always appropriate, but a handwritten thank-you note is more personal.
8. The only time it is appropriate is if you are waiting for an **urgent** phone call. If that is the case, you should mention it before the meeting starts, put your cell phone on vibrate, and step out of the meeting to take the call. If you are waiting for a text, only check your device occasionally as to not send the message that the other matter is more important than the meeting you are in.

KEY TAKEAWAYS

- **Communication** is vital in selling and is the foundation of relationships. It is best used for communicating information. Grammar and spelling are critical for written communication to be effective.
- It would be best to call him to let her know. This would allow you the opportunity to demonstrate a high sense of urgency, explain the situation, and discuss possible options. It is always best to communicate bad news (especially to your boss) verbally, whether in person or by phone.
- You should pay when you invite. Although it is appropriate to let your customer pay for a meal once in a while, it's usually expected that the salesperson's company will pick up the tab.
- Whenever someone does something that is worth noting—referring you to a new prospect, hosting a productive meeting, being a great business partner, providing some information that was difficult to get, or any other situation that is worth a thank you—then note it. People rarely send thank-you notes, so it's an excellent way to set yourself apart. A thank-you e-mail is always appropriate, but a handwritten thank-you note is more personal.
- The only time it is appropriate is if you are waiting for an *urgent* phone call. If that is the case, you should mention it before the meeting starts, put your cell phone on vibrate, and step out of the meeting to take the call. If you are waiting for a text, only check your device occasionally as to not send the message that the other matter is more important than the meeting you are in.
- The **communication model** describes exactly how communication is sent and received and provides clues as to how to improve the effectiveness of communication.
- Empathy is thinking about your communication from the receiver's point of view. Empathy helps build an emotional connection.
- Effective **communication** is clear, concise, brief, specific, and timely.
- Creating your message is only one half of **communication**; listening is the other half. Being a good listener improves your ability to be a good communicator.
- There are three types of **communication**: **verbal**, which involves speaking to one or many people to convey a message; **nonverbal**, which includes body language and other observations about people; and **written**, which includes a message that is read in hard copy, e-mail, text message, instant message, Facebook, Twitter, blog, or other Internet-based written communication.
- **Verbal communication** provides the opportunity to change communication with inflection, or the emphasis put on certain words in a conversation or presentation.
- **Nonverbal communication** provides additional insights into the sending and receiving of a

message through gestures, eye contact, proximity, and other elements of **body language**.

- Your handshake can be one of the most powerful elements of nonverbal communication and sets the tone for the meeting or interview ahead.
- **Written communication** includes printed words designed to communicate a message on paper or a screen and is more permanent than **verbal** or **nonverbal communication**.
- **Written communication** is best used for factual information, whereas **verbal communication** is best used for emotional topics or those that require discussion.
- The best method of **communication** depends on your customer's preferences and on the situation

PART V.

WHY AND HOW PEOPLE & ORGANIZATIONS BUY

Learning Objectives

1. Describe the different types of customers and their needs.
2. Discuss the implications of Maslow's hierarchy of needs for selling.
3. Differentiate the types of buyers and buying situations in the business-to-business (B2B) environment.
4. List the steps in the buying process.
5. Identify how to use FAB for effective selling.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=98#oembed-1>

5.1 BUYING 101

You walk into an Abercrombie & Fitch store at the mall, and without thinking about it, you turn to the right and make your way through the denim, past the belts, and to the sweaters. You are so engaged in the experience that you didn't even realize that the huge mural at the entrance to the store serves a purpose other than to make you look twice at the model in the larger-than-life photo. Before you know it, one of the salespeople dressed in Abercrombie from head to toe approaches you with a smile. "These hoodies are awesome," they say as you pick up the pale blue one.

Shopping. It's the national pastime for some but a detested necessity for others. Whether you love shopping ("Oh, that is soooooo cute!") or do everything to avoid it ("I'm not going to the mall, no matter what"), it is a major source of spending in North America. In fact, the retail industry generated \$14.795 trillion in sales in 2019 (yes, trillion).¹ That's a lot of selling—and a lot of buying. Pet food alone contributed over \$31 billion in sales in 2020.² That's a lot of pet food! But what makes you stop and pick up one sweater but not another or one bag of parakeet birdseed over another?

What makes you buy a pair of jeans you weren't even looking for? What makes you walk out of the store spending more than you had planned (Consumers usually spend more than they planned.)³

INSIDE CONSUMER BEHAVIOUR

The science of consumer behaviour describes and even defines how you shop and, more importantly, why you buy. Smart retailers study consumer behaviour patterns and lay out their stores and merchandise accordingly. For example, did you know that 86 percent of women look at price tags when they shop, while only 72 percent of men do?⁴ And did you know that the average shopper doesn't actually notice anything that's in the entrance of a store?

According to Paco Underhill, CEO and founder of EnviroSell, and author of the book *Why We Buy: The Science of Shopping*, consumers do not actually begin shopping until a certain point after they enter the store. That is why smart retailers include a "transition zone" at the entry to their store; it allows customers to get their bearings and choose their shopping paths. In other words, products, signs, and displays that are in the very front of the store might not be seen if there is not a transition for the customers when they enter.

In the case of Abercrombie & Fitch, the transition is the space just inside the entrance that includes

1. Bureau of Economic Analysis. (2020, April 2). *National Income and Product Accounts Tables*. Table 1.1.5. Nominal GDP.

<https://apps.bea.gov/iTable/?reqid=19&step=2&isuri=1&categories=survey>

2. Statista Consumer market outlook. (2019, April). *Pet food*. <https://www-statista-com.libsecure.camosun.bc.ca:2443/outlook/40130000/100/pet-food/worldwide#market-volume>

3. Petro, G. (2019, March 29). *Consumers are spending more per visit in-store than online. What does this mean for retailers?* Forbes.

<https://www.forbes.com/sites/gregpetro/2019/03/29/consumers-are-spending-more-per-visit-in-store-than-online-what-does-this-mean-for-retailers/#41c6599c7543>

4. Proctor, C. (2017, January 27). *Here's how different men and women are when it comes to shopping-and why you need to know*.

Washington Business Journal. <https://www.bizjournals.com/washington/news/2017/01/27/heres-how-different-men-and-women-are-when-it.html>

the humongous photo of the Abercrombie model du jour. When you go into Hollister, it is the outside porch that serves the same purpose; it is a transition that allows you to get your focus and plot your course in the store, even if you do not consciously realize it. Think about the last time you went into a grocery store or drug store; you might not have noticed anything until you were well inside the store, which means that the merchandise and signs that were displayed in the area before you got your bearings were virtually invisible to you.⁵ Subconsciously, you adjust your eyes to the light, process any smells and sounds, notice the temperature, if it is busy and the general layout of the store when you first enter before you think about the actual shopping.⁶ “Rather than waste the space with a cluttered front entrance that has little chance of being noticed, it’s better to create an effective transition zone”.

Understanding how and why customers buy can make a significant difference in how you sell. Is the product a considered purchase, like a computer or car or an impulse buy, like a sweater or music download? Is the product bought frequently, like an energy drink, or only once every few years or even once in a lifetime, like a car or a college education? For each of these products, the customer goes through a buying process. Understanding the customer and the buying process can make your selling efforts successful.

Watch the video featuring Martin Lindstrom, the author of *Buyology: Truths and Lies about Why We Buy* for an overview of the science of consumer behaviour in selling and marketing.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=99#oembed-1>

DO YOU NEED IT OR WANT IT?

Think of something you need, like an annual medical checkup, a new apartment because your lease is up, or even food to survive. There are some products and services you purchase solely because you cannot exist without them. Now think about something you want: a new pair of jeans, an iPhone, and tickets to a concert. There is a significant difference in what motivates you to buy products and services you need, compared to those you want.

NEEDS VERSUS WANTS

Needs are essentials, those products and services you literally cannot live without. Food, shelter, clothing, transportation, and health care are all examples of needs. Wants, on the other hand, are products, services, and activities that can improve your quality of life; you don’t need them to exist, but rather you desire to have them because you think they will make you happy.⁷ Cell phones, vacations, sporting events, restaurants, amusement parks, cable television, and fashion are all examples of wants. People are motivated differently depending on if they are making a purchase for a need or a want. Could you see how cellphones could be argued as a need and a want?

5. Underhill, P. (1999). *Why We Buy: The Science of Shopping*. Touchstone, 99.

6. Stephenson, A. (2019, May 16). *The shopper transition zone*. *Explorer Research*. <https://explorerresearch.com/the-shopper-transition-zone/>

7. Biekkola, K. *Needs versus wants slide show*. Wise-online. http://www.wisc-online.com/objects/index_tj.asp?objID=ABM3302

Needs and wants have different motivations. Think about buying a computer; you could focus on the functional attributes of the car such as miles per gallon, maintenance costs, and safety ratings. Functional attributes fit within utilitarian needs –those needs that are necessary.⁸

So, if those were your only needs, you might choose a Smart Fortwo, Ford Focus, or Toyota Prius. But you might want to have something a bit sportier, maybe even flashy, to get around campus, you might choose a Mini Cooper, Jeep, or even a BMW. These cars would do more than simply provide transportation; they would meet your hedonic needs—those needs that are associated with pleasure, feeling, emotion and senses.⁹

You might choose to buy a Mini Cooper because you can customize the design online. That would certainly meet a need other than providing basic transportation. Some people buy a BMW because they want the status that goes with owning that make of car, or perhaps they think that having a Mercedes-Benz means they have arrived. When you understand the difference between needs and wants and between utility needs and hedonic needs, you are better able to tailor your selling communications.

8. Das, G., Mukherjee, A., & Smith, R. J. (2018). The perfect fit: The moderating role of selling cues on hedonic and utilitarian product types. *Journal of Retailing*, 94(2), 203–216. <https://doi-org.libsecure.camosun.bc.ca:2443/10.1016/j.jretai.2017.12.002>

9. Gopal D., Amaradri M. & Ronn J. S. (2018). The Perfect Fit: The Moderating Role of Selling Cues on Hedonic and Utilitarian Product Types, *Journal of Retailing*, 94(2). <https://doi.org/10.1016/j.jretai.2017.12.002>.

5.2 MASLOW'S HIERARCHY OF NEEDS

When Hurricane Katrina hit the United States on August 28, 2005, the Gulf Coast was devastated; the 2011 tsunami affected the entire Pacific Rim, and the Gorkha earthquake that hit Nepal in April 25, 2015 left 3.5 million homeless. With natural disasters like the three examples above, people are stranded for days, some without food, water, or shelter due to overwhelming flooding and destruction.

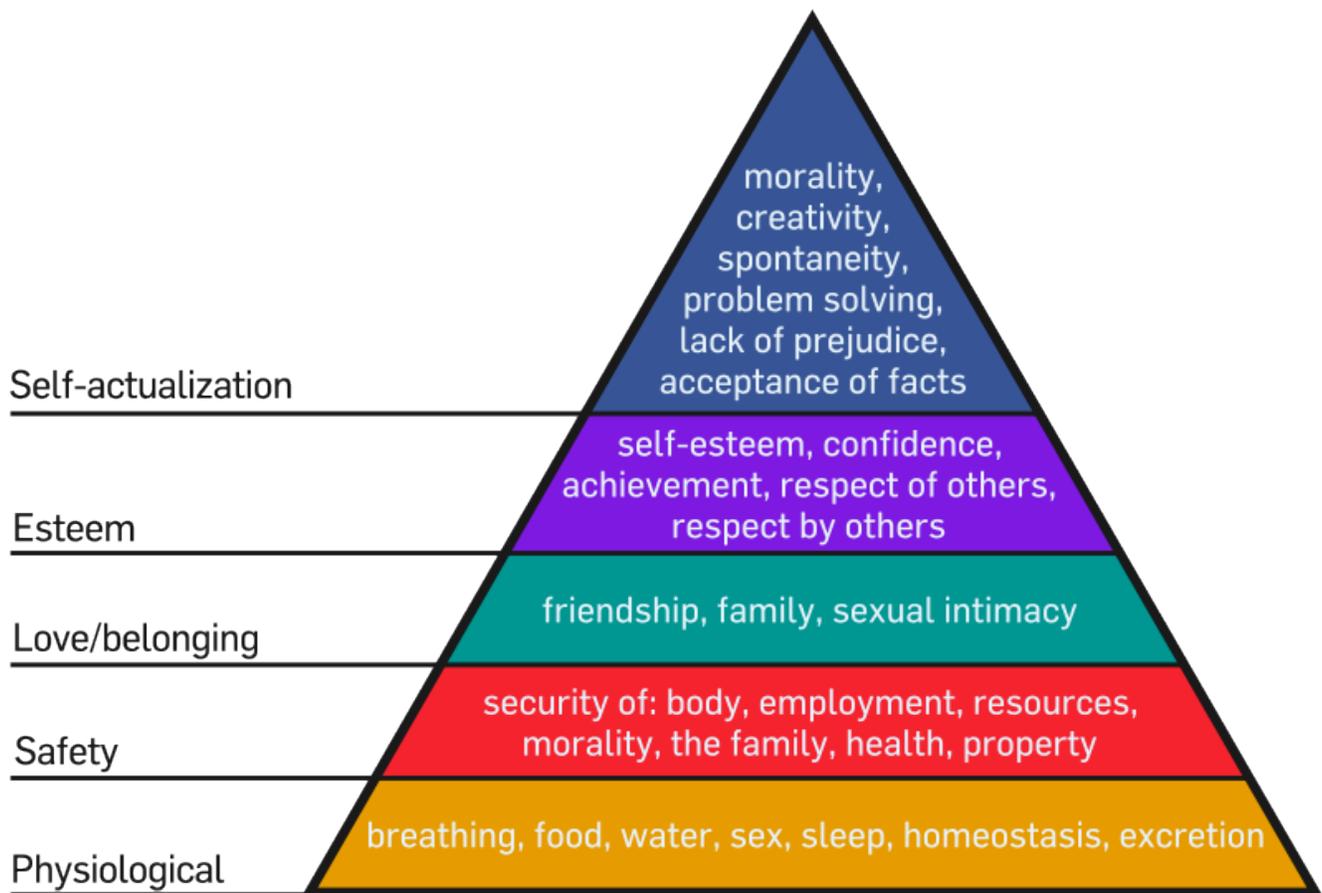
During the horrible days and in the aftermath, those who were affected by any of these catastrophes do not care what kind of car they drove, what anyone did for a living, or if they forgot to sign up for French or scuba lessons. They were focused on the basics: food, shelter, and clothing.

Tragedies like these are a demonstration of exactly how Maslow's hierarchy of needs works. Abraham Maslow is among the most renowned psychologists of the twentieth century. His theory explains human behaviour in simple terms: a hierarchy of needs that begins with the most basic of physiological needs (e.g., food, water, warmth, rest) motivates people, and when the lowest-level needs are satisfied, they are no longer motivators.¹

During the days after Hurricane Katrina hit, people were rescued and provided with water, food, and shelter. Many were relocated to temporary housing or even to housing outside the affected areas. It was not until after the physiological needs were met that people became concerned about the next level of needs on Maslow's hierarchy: safety needs. Looting of shops in some of the cities began to occur, and there was even concern that the police force in some cities was not taking an active role in arresting those who were breaking the law.² The people of the Gulf Coast were no longer motivated by simply getting water, food, or shelter; they had moved up Maslow's hierarchy and were concerned about their personal security and well-being.

1. McLeod, S. (2020, March 20). *Maslow's Hierarchy of needs*. Simply Psychology. <https://www.simplypsychology.org/maslow.html>

2. Associated Press. (2005, August 5). *Looters take advantage of New Orleans Mess*. Msnbc. <http://www.msnbc.msn.com/id/9131493>



Maslow's hierarchy of needs demonstrates that humans fill higher needs only after lower needs are met. Credit: [Maslow's hierarchy of needs by Factoryjoe. CC BY via Wikipedia.](#)

As the days and weeks passed after Hurricane Katrina hit, its victims wanted to get back to their normal lives. They searched for options to put their children back in school, ways to get jobs, and options to rebuild their lives. At this point, people were motivated by social needs such as belongingness and love.³ Slowly but surely, people began to rebuild their lives and their cities. People took on leadership roles and began to take recovery to the next level. Even people who were hundreds of miles away from the hurricane-ravaged area in New Orleans or the earthquake in Nepal or the Tsunami in Japan wanted to help. This is an example of esteem needs, or the need to feel respected and appreciated by one's peers. Although volunteers were motivated by social needs and the need to help their fellow human beings, they found that they were also greatly appreciated for their efforts.

This all comes together at the point of sale, whether you are selling in business-to-consumer (B2C) or business-to-business (B2B) environments. When you understand the motivation of your customer, you can customize your solution and your message to meet their needs, emotions, and motivations. Consider the Hurricane Katrina example; would you attempt to sell fine jewelry, pitch the benefits of a landscaping service, or suggest a home theater system to someone in New Orleans on August 29, 2005? Probably not. People were focused on their most basic needs at that time, and none of these products or services would have been appropriate to sell. Although this may seem like an extreme

3. McLeod, S. (2020, March 20). *Maslow's Hierarchy of needs*. Simply Psychology. <https://www.simplypsychology.org/maslow.html>

example, it is a good way to remember to look at the world through your customer's eyes, as you will see a completely different view.

Now that you can see what motivates people to buy, it is time to learn who is buying. Although the buying process is similar for B2C and B2B, there are some distinct differences that can make a difference in the way you sell.

5.3 BUSINESS-TO-BUSINESS (B2B) BUYING

Think back to your visit to the Abercrombie & Fitch store. It is pretty obvious that you are the customer and the end user of the product or service. You might be shopping for yourself or buying a gift for a family member or a friend. Either way, you (or the person to whom you are giving the product) are the ultimate consumer, which is what defines B2C buying. So, whether you are buying a cell phone and service at a Verizon store, a music download from Spotify, or a burger and fries at Burger King, you are buying in the B2C arena. See Chapter 2 for more background on B2C.

With B2B customers, sometimes referred to as organizational (or institutional) markets, there are several different types of situations that define needs and purchasing behaviour. Some companies buy products to sell directly to consumers, whereas others purchase products as ingredients or components to produce their product. Still other companies lease products or services, while others serve the public, such as government or nonprofit organizations. All of these businesses have unique needs and this will be important to a salesperson as it has impact on the buying process. Business buyers can be divided into Producers, Resellers, and Organizations and are laid out in Figure 6.2 which shows the types of buyers in a B2B environment.

Types of B2B Buyers



BIG DIFFERENCES

B2C and B2B purchasers are different for several reasons. The most important differentiator is that consumers purchase for their own consumption (or the consumption of their household or friends), whereas B2B customers purchase to produce or resell the product to a company or the ultimate consumer. There are also several other key differences between B2C and B2B buyers. Generally, B2C buying is based—for the most part—on impulse, low-risk decisions for products and services that are readily accessible.

Whether you shop online, in a store, or at a direct selling party, your buying decisions impact only yourself and your family and do not put you at risk. Although you may make some significant buying decisions such as a house or a car, your options are easily accessible (go online, go to the mall or store),

and your decisions don't put you in danger of losing anything—except, of course, if you spend money you don't have.

Table 6.1: Comparison of B2C and B2B Buying Decisions¹²

B2C Buying Decision	B2B Buying Decision
Emotions and aspirations	Rational
Buy same day to weeks	Can take months or years
Simple	Complex-usually evaluating at least three different suppliers
May or may not be budgeted	Budgeted
Low risk	High risk
Individual decision	Purchasing manager or senior manager usually
May or may not include some research	Analytical including cost-benefit analysis

However, in a B2B buying decision, the buying decision is complex, and there is significant risk because a single decision can affect the quality of a product or service offered by a company to its customers, safety of consumers, or even profitability of the company. Forming a relationship is especially important in a B2B environment.³

SIZE OF PURCHASES

Because B2C buyers are purchasing only for their consumption or for the consumption of a limited number of people, the size of the purchases is relatively small. By contrast, B2B purchases are significant because the companies are purchasing to sell to other companies or to many consumers.

Consider the concept that you may buy one phone every few years but Telus and Bell and the other mobile phone providers bought over 30 million phones to sell in 2015.⁴ The size of B2B purchases is always significantly larger than B2C purchases simply because a company is buying for more than one consumer.

MULTIPLE BUYERS

If you think it's difficult to keep everyone in your apartment happy with the food purchases you make at the supermarket, that's easy compared to the number of people involved in a B2B purchasing decision. In most B2B transactions, there are multiple decision makers involved in each purchase. Think about your trip to the supermarket from the B2B buyer's perspective. The decision about which products to stock on the shelves was ultimately made by someone who holds the title of "buyer" in the company. However, they could not decide unilaterally what to carry in the bottled water section. They have to understand which bottled water their customers want, consult with the general

1. Nussbaum, J. (2017, April 3). The stark difference between B2C and B2B advertising blog series. Dun & bradstreet. <https://www.dnb.com/perspectives/marketing-sales/decision-making-b2b-vs-b2c-buyers.html>

2. Scotter, L. (2020). Differences between B2B & B2C buyer behaviour. Chron. <https://work.chron.com/differences-between-b2b-b2c-buyer-behaviour-18518.html>

3. Nussbaum, J. (2017, April 3). The stark difference between B2C and B2B advertising blog series. Dun & bradstreet. <https://www.dnb.com/perspectives/marketing-sales/decision-making-b2b-vs-b2c-buyers.html>

4. eMarketer. (2015). Number of phone users in Canada 2012-2019. Statistica. <https://www-statista-com.libsecure.camsun.bc.ca:2443/statistics/274772/forecast-of-mobile-phone-users-in-canada/>

merchandise manager, who is responsible for the shelf space, and the vice president of merchandising, who oversees all product choices. They may even need to make a presentation to a buying committee before they make the decision to carry another flavor of Vitamin water. They will need to get approval for the money to invest in the inventory and shelf space. Depending on the organization and the size and impact of the decision, several people from several different departments may be involved in a B2B buying decision.

NUMBER OF CUSTOMERS

There are over 37 million people who live in the Canada and approximately a 12 million households.⁵ However, there are less two million employer businesses.⁶ Because B2B buyers are making decisions that may ultimately impact the sale of a product or service to millions of consumers, there are naturally fewer businesses.

GEOGRAPHIC CONCENTRATION

Since there are many fewer businesses and organizations compared to the number of ultimate consumers, it makes sense that there is a geographic concentration of B2B customers. For example, the fashion industry is primarily located in New York, filmmaking in Los Angeles, and technology in Silicon Valley.

BUSINESS-TO-BUSINESS MEANS PERSON-TO-PERSON

Although B2C buying behaviour is very complicated, B2B buying behaviour is even more complex. The fact is, although it's called business-to-business buying, the term actually describes *people* doing business with *people*. A *business* never makes a buying decision; the decision is made by *people* who work for the company. So B2B buying decisions are subject to the same behaviours as B2C buying decisions, but on a more challenging level because B2B buying decisions usually include multiple decision makers, an extensive evaluation process, extended analysis, and they represent a high risk on the part of the decision makers.⁷

When many people are involved in the decision making in the B2B environment, they usually form a buying center—a bunch of people who have varying influences on the B2B decision. For example, hospitals use buying centers to make decisions on new equipment or a retail company might use a buying center to determine which point-of-sale register system to purchase. The buying center usually includes people from the organization who have expertise in different areas, and each may play a different role in the buying decision. Following are some roles that may be included in the buying center:⁸

5. Statistics Canada. (2018, January 17). *Families, households and housing*. Statistics Canada. <https://www150.statcan.gc.ca/n1/pub/11-402-x/2011000/chap/fam/fam-eng.htm>
6. Ward, S. (2019, January 31). *Canadian small business statistics*. The balancesmallbusiness. <https://www.thebalancesmb.com/canadian-small-businesses-stats-2948030>
7. B2B purchasing decision. (n.d.). *Principles of Marketing*. Lumen. <https://courses.lumenlearning.com/wmopen-principlesofmarketing/chapter/b2b-purchasing-decisions/>
8. StratoServe. (June 7, 2012). *Understanding the Buying Center can help B2B Marketers and Supply Chain for innovation*. StratoServe. <https://stratoserve.com/2012/06/understanding-the-buying-center-can-help-b2b-marketers-and-supply-chain-for-innovation.html>

USERS

The people in the B2B buying process may include some or all of the following roles. Users are the people who are actually using the product or service. In the case of a company purchasing a telecommunications system, the users are all employees of the company because each uses the telephone, Internet, and other communications technologies. But in the case of a company purchasing a security system, only the employees in the security department would be users of the product; other employees would simply enjoy the benefits of the product without actually using it. Because the users' satisfaction is so important, many companies involve users at various points throughout the buying process, including gathering input, participating in product demonstrations, or even using the product as a test.

INITIATORS AND INFLUENCERS

Initiators are the people who initiate the need. For example, the e-commerce manager in the marketing department may begin the process of seeking a new technology provider for e-mail and social networking services on the company's Web site or a machine operator may initiate the process for a specific tool. However, they may not be the final decision maker. There may be several departments involved in the purchasing decision including marketing, IT, and customer service, just to name a few.

DECISION MAKERS

At the end of the day, it is the decision maker or decision makers who will make the final purchasing decision. Decision makers could be anyone who holds the responsibility or accountability for making buying decisions for the company. In the case of the e-mail and social networking technology purchase, depending on the company, the decision maker might be the CEO, the head of the marketing department, or even a committee of people from marketing, IT, and customer service. A smart decision maker involves the users and influencers in their decision-making process to make the best choice. The decision making process in B2B can take days, weeks, months, or even years to make, depending on the company and the product or service being purchased.

FINDING THE "POWER LEVEL"

When you are selling in a B2B environment, you may not always have access to the ultimate decision maker but building a relationship with the initiator, influencers, and users can be just as important and effective as meeting with the decision maker. However, you should always be aware of the "power level," or exactly the level in the organization that is making the buying decision. Sometimes, salespeople do not get to the power level, but instead stop at one or two levels below that critical level where the purchasing decision is being made. If the vice president of human resources is making the decision as to which vendor to choose for the company's training programs, it is important to build a relationship with them. Having a relationship with the director of training is critical, but a successful salesperson would not stop there; they would work to secure a relationship at the power level, which is the vice president.

TYPES OF B2B BUYING SITUATIONS

There is still more you can learn about the B2B buying environment. Although companies are so different from each other (some are large multinational corporations while others are one-person operations) and the types of products and services being purchased are so different (everything from business cards to office buildings), it might seem difficult to know how to apply the concepts covered to every buying situation. One way is to understand the different types of buying situations that face a B2B buyer.

NEW-TASK BUY

If a company is moving its headquarters to a new building that does not come equipped with office furniture, the company will need to acquire furniture for all of its employees. When a company purchases a good or service for the first time, this could be considered as a new-task buy.⁹ When a customer is contemplating a new-task buy, it is an excellent opportunity to use your consultative selling skills to bring information to your customer to help them make the best possible decision.

STRAIGHT REBUY

What if your customer is already purchasing the product or service regularly? Although they may currently be purchasing the product from you, they already know about the product or service, how to use it, and how much they are currently paying for it. This is called a straight rebuy¹⁰—when the buyer routinely repurchases a product or service.

Usually, straight rebuys are consumable products or supplies such as office supplies, maintenance supplies, or parts. This is an opportunity for you to shine, whether the customer is currently purchasing from you or not. When purchases are on “auto pilot,” sometimes the salesperson gets lazy, takes the business for granted, and does not go the extra mile to suggest something new or better. If a prospective customer is already buying from someone else, you have the opportunity to win them over by suggesting a better or more efficient product, a different pack size or method of replenishment, or other ideas that will help the customer save time or money or increase quality. For straight rebuys, it is often price that gets the customer’s attention, but it is service (or lack of it) that makes the customer switch providers.

MODIFIED REBUY

Sometimes, your customer may already be purchasing the product but wants to change the terms, prices, suppliers, or product specifications — this is called a modified rebuy.¹¹ For example, let’s say a manager reviews their budget and finds that their costs on printer supplies is too high. They request that the purchasing team cut cost. The team reviews the cost of printer cartridges and find their supplier is charging a premium over other stores so they push the supplier for a lower price. Selling to a customer who is purchasing a modified rebuy is an excellent opportunity to demonstrate your flexibility and creativity. Many times, customers have an idea in mind for a modification, but if you

9. Clow, K. E., & Baack, D. (2005). *New-Task Purchase*. Concise Encyclopedia of Advertising.

10. Clow, K. E., & Baack, D. (2005). *New-Task Purchase*. Concise Encyclopedia of Advertising.

11. Spacey, J. (2017, September 29) *5 Examples of modified rebuy*. Simplicity. <https://simplicable.com/new/modified-rebuy>

can bring them ideas and insights that will help them increase their business profitably, you will have the upper hand in securing the buy.

STRATEGIC ALLIANCE

Although most B2B selling depends on relationships, some selling situations go beyond the traditional relationship between a salesperson and the customer. Some relationships go to the next level and actually create a partnership that puts both parties at risk and provides opportunities for all parties to gain; this is called a strategic alliance. For instance, Starbucks teamed up with Spotify where the stores received a premium membership from Spotify so they could create playlists customized for each store (and employee). This gave Starbucks access to Spotify's music. Starbucks customers could access the playlist through the Starbucks's app allowing Spotify to reach new audiences. The strategic alliance represents a way for both companies to prosper without sacrificing their brand.¹²

12. Bernazzani, S. (2023, June 15). 21 Examples of Successful Co-Branding Partnerships (And Why They're So Effective [blog]. <https://blog.hubspot.com/marketing/best-cobranding-partnerships>.

5.4 HOW THE BUYING PROCESS WORKS

For years, the buying process was considered to be linear; scholars and researchers who closely monitored buying behaviour identified several steps that the B2B customer goes through before they make a purchase. It is helpful to understand these steps to appreciate the changes that are taking place.

THE TRADITIONAL VIEW OF THE SEVEN STEPS OF THE B2B BUYING PROCESS¹

You are probably familiar with buying as a consumer. But did you ever think about how Aéropostale decides what products will be in their stores for the spring season, how a restaurant determines which beverages it will offer, or how Hewlett-Packard (HP) identifies which parts it will use to manufacture its printers? The buying process outlines the steps that the B2B customer goes through when they are making a purchasing decision on behalf of the company. This process applies whether the buying decision is being made by an individual or by a buying center.

Buying Steps



1. *Recognizing the need.* The buyer realizes there is a need for the product or service. In the B2B

1. Eisenberg, B. (2001). *Buying a not a rational decision.* ClickZ. <http://www.clickz.com/927221>

environment, this might occur because of an internal need (e.g., the company needs more office space) or because of a customer need (e.g., green tea is becoming more popular, and so we want to offer it on our menu). This is the ideal opportunity for you to learn about your customers' needs, although it may be difficult to know exactly when a customer or prospective customer is beginning this step. That is why it is important to engage your customer in dialogue to understand their current and future needs. Sometimes, you can help your customer see an opportunity that they did not realize.

2. *Defining the need.* This step usually involves users as well as initiators to put more definition around the type of product or service that will help meet the need. For example, in the case of office space, the head of facilities would ask the head of human resources about the types of new positions that will be needed and the type of workspace each requires. They might also ask for insight from each hiring manager or department head in the company, such as the head of operations, marketing, finance, and other areas. Salespeople can play a role in this step of the buying process by sharing information and insights from other customers, without divulging any confidential information.
3. *Developing the specifications.* This is the step at which the exact needs are outlined. For example, if Walmart identified the need to create its own brand of DVD player, the appropriate people in the company would determine the exact specifications of the product: what functions it will have, how large it will be, what materials it will be made of, how many colours will be offered, and all other attributes of the product. When a salesperson has a good relationship with a customer, the buyer might ask the salesperson for insights and advice on different features, functionality, and production costs to finalize the product or service specifications.
4. *Searching for appropriate suppliers.* This step is focused on researching potential suppliers. This research can be conducted online by doing a Google search for suppliers or looking through the Yellow pages or checking out Trade associations. Industry trade shows can be an excellent source of information about prospective suppliers. One of the best ways to identify suppliers is by referrals; use your business network, including LinkedIn, to get feedback about reliable suppliers that might be able to meet your needs.
5. *Requesting proposals.* This is when the buyer or buying center develops a formal request for proposal, often called an RFP, and they identify several potential vendors that could produce the product or service. For example, if Home Depot decided that it wanted to upgrade its bags, the buyer would have determined the specification, quantity, shipping points, usage, and other requirements (e.g., being environmentally friendly), and put the information into a formal document that is sent to several bag manufacturers along with questions about the history of the company, key customers, locations, manufacturing capacity, turnaround time, and other relevant information. Each manufacturer would have the opportunity to respond to the RFP with a formal proposal, which means that each company would provide information about their company, capabilities, delivery, and pricing to manufacture the bags. This is an opportunity for a salesperson to respond with a complete proposal that addresses the customer's needs and concerns.
6. *Evaluating proposals.* After the proposals are submitted, the buyer or buying center reviews each one and determines whether the company would be a good fit for the project. At this point, the number of potential vendor choices is narrowed to a select few. Usually, salespeople

from each of the chosen companies are invited to meet with the buyer or buying center to discuss the proposal, capabilities, and pricing. This is the step where a salesperson may need to overcome objections, or the reasons why the customer may not want to choose them as the company of choice.

7. *Making the buying decision.* The buyer or buying center chooses one (or the necessary number) of companies to execute the project, finalizes details, negotiates all aspects of the arrangement, and signs a contract. This step requires perseverance and attention to detail on the part of the salesperson. Once the decision is made, the real business of selling begins: delivering the product or service as agreed upon and building the relationship.
8. *Post-purchase evaluation.* Throughout the buying process, the buyer is provided all the good news: how the new product or service will solve their company's problems, increase demand, reduce costs, or improve profitability. It is the post-purchase evaluation that tells the tale. Did the product or service perform as promised? Was the delivery and installation done correctly and on time? Are the business results in line with expectations? Is the relationship growing? Do the salesperson and their company really care about the performance of the buyer's company? Does the salesperson add value to the buyer's company? The process makes sense and is a flow of systematic steps that leads a B2B buyer through a logical buying process. There are two factors that can impact this traditional model though: the Internet and the impact of emotions.

EMOTIONS DOMINATE B2B BUYING

Whether you look at the traditional buying process or the role the Internet plays in providing information, it appears that the B2B buying process is logical and rational, but appearances can be deceiving. Despite the implication and belief that companies make purchasing decisions based on facts, it's a good idea to remember one of the key tenets of B2B buying mentioned earlier: business-to-business means person-to-person. That means that although a B2B buyer is making a decision on behalf of their company, they still behaves like a consumer and is subject to emotions and feelings.

FEAR AND TRUST

You learned earlier how important trust is in a relationship. People will not buy from someone they don't trust, which is why some salespeople are more successful than others; they work to establish and develop trust with the customer. People buy when they feel comfortable with the product and the salesperson and when they believe it is the best decision they can make. Moreover, because the B2B purchasing process usually includes multiple people, it means that the salesperson needs to develop a relationship and establish trust with as many people involved in the purchasing process as possible. Although trust is a positive emotion that can influence a sale, an even stronger emotion in B2B buying is fear. Fear is prevalent in almost 90% of B2B² and so "People are afraid of being sold," according to Tom Hopkins, author of *How to Master the Art of Selling*.³ The best way to overcome this fear is to demonstrate that you are trustworthy. That means something as simple as returning a phone call when you say you will, or following up with information as promised. Fear is a strong motivator in

2. Cash, P. (2017, September 20). *Why are B2B buyers living in fear?* LinkedIn. <https://www.linkedin.com/pulse/b2b-tech-buyers-living-fear-paul-cash->

3. Selling Power. (2003). *Fear of buying*. Selling Power. <http://www.sellingpower.com/content/newsletter/issue.php?pc=296>

a B2B buying decision, and it can't simply be addressed in one meeting or conversation. *"It's how you handle the little things that show customers how you'll handle the big ones,"* says Tom Hopkins.

5.5 BUYING PROCESS MEETS FAB

No matter how the buying process evolves, customers continue to make purchase decisions driven by emotions. You learned how motivating trust and fear are for people who are making B2B buying decisions. Comfort, vanity, convenience, pleasure, desire to succeed, security, prevention of loss, and need to belong are all emotions that motivate purchases. A company may move its headquarters to a better part of town to provide better security for its employees; maybe a prominent figure in the community donates a large sum of money to your college motivated by the desire to give back; or maybe a company puts in a gym so that they are perceived as a healthy place to work. The same types of motivations apply to B2C purchases: a person purchases makeup in the hopes of looking as beautiful as the model in the ads, someone else buys a sports car in the hopes of turning heads, or a student buys a microwave for the convenience of having food when they want it.

FAB

Emotions are the driving force in so many B2C and B2B purchases that you might not even realize it. So how do you create the same type of emotional appeal with your customers? The answer is simple: FAB-Features, Advantages, & Benefits. Consider this information that was on the home page of Amazon recently:

*Meet the all-new Kindle, now with a built-in adjustable front light so you can read indoors and outdoors and at more times of day. Purpose-built for reading, Kindle features a glare-free touchscreen display that reads like real paper, even in direct sunlight.*¹

Amazon truly understands how to use FAB, a selling technique that focuses on Features, Advantages, and Benefits, to sell its Kindle electronic reader. FAB is more than a way of selling; it's a way of thinking like your customers. Using the Kindle as an example, here are the details about how to use the FAB approach for effective selling.²

- A *feature* is a “physical characteristic” of the product. In the Kindle example above, the *feature* is the adjustable light or glare free screen.
- A product *advantage* is the “performance characteristic” of the product, or what the feature does. For the Kindle, the *advantages* of the adjustable light is that you can read in different settings –night or day; inside or outside—with or without your sunglasses.
- The *benefit* is what the features and advantages will bring to the buyer. Benefits connect the facts of product with a solution to the buyer.³ The *benefit* of the Kindle is the fact that you can

1. Amazon. (2020). Kindle. https://www.amazon.ca/All-new-Kindle-built-front-light/dp/B07FQ4XCR1/ref=sr_1_2?dchild=1&keywords=kindle&qid=1590515609&sr=8-2&th=1

2. Vechten, L. (2010, February 2). *Understanding Feature-Advantage-Benefit*. SellingPower. <https://www.sellingpower.com/2010/02/02/8554/understanding-feature-advantage-benefit>

3. Clark, K. (2012, October 6). *Features, Advantages, and Benefits (FAB) statements*. devEdge. <https://devedge-internet-marketing.com/2012/10/06/features-advantages-and-benefits-fab-statements/>

read it anywhere and anytime.

Amazon skillfully reinforces the benefit of portability by showing someone reading on a beach or a bus. Why does FAB work? Because customers want to know what a product or service **will do for them**—not just what it’s made of. B2C and B2B customers seek information before making a buying decision but are also driven by emotions. FAB helps you appeal to a customer’s rational and emotional buying behaviour by providing the most compelling features and factual information and then showing how the features provide an advantage that delivers a benefit. This is how salespeople help customers establish an emotional connection with a product.

You probably use FAB sometimes without even realizing it. “My new Lucky Brand jeans have a dirty wash, fit great, and make me look taller. The best part is they were on sale for only \$89.00.” The features are the dirty wash and the fact that they were on sale for \$89.00; the advantage is that they fit well (no easy feat when it comes to jeans); the benefit is that they make you feel like you look tall and, as a result, make you feel good when you wear them. Your statement is much more powerful when you frame it with FAB than if you simply say, “I got some new jeans today for \$89.00.”

If you want to be able to use FAB in conversation, simply think in terms of the following:⁴

- **Feature:** what the product *has*
- **Advantage:** what the features *do*
- **Benefit:** what the features *mean*

Table: FAB in Action

Product	Feature	Advantage	Benefit
HP Pavilion Computer	250-GB hard drive	Enough space to store music, pictures, documents, and more.	Do more from playing video games to downloading all of your favorite music and still have space for your homework projects.
Caribbean Vacation	4 all-inclusive nights with airfare for only \$599 per person	Don’t worry about how to budget for the cost of the vacation because everything is included in one low price.	Enjoy a spring break you will never forget on a beach in the Caribbean.
2010 Honda Insight	40 mpg highway/43 mpg city	Lower your gas prices with a fuel-efficient Insight.	Be kind to the environment and travel in comfort for less with an Insight.

Selling features can work for a few businesses and product lines but identifying and highlighting how a product or service can improve the life of a customer is often a much more powerful strategy—think of your customer first in terms of “What’s in it for me” and you will be soon focusing on benefits⁵

4. Vechten, L. (2010, February 2). *Understanding Feature-Advantage-Benefit*. SellingPower. <https://www.sellingpower.com/2010/02/02/8554/understanding-feature-advantage-benefit>

5. Shewan, D. (2020, April 6). *Features vs. Benefits: Here’s the Difference & Why It Matters*. Wordstream. <https://www.wordstream.com/blog/ws/2017/02/21/features-vs-benefits>

5.6 REVIEW AND PRACTICE

POWER WRAP-UP

Now that you have read this chapter, you should be able to understand why and how people buy in B2C and B2B situations.

Learning Objectives

- You can **describe** the types of customers and why this information is important in determining customers' needs.
- You can **discuss** the implications of Maslow's hierarchy of needs for selling.
- You can **learn the types of buyers and buying situations in a B2B environment**.
- You can **list** the steps in the buying process and describe how and why the process is evolving.
- You can **understand** the role of emotions in the buying decision.
- You can **learn** how to use FAB for effective selling.
- You can **understand** how to develop your personal FAB message.
- You can **learn** how to make your FAB message memorable in an interview.

Exercises

Test Your Power Knowledge (answers are below)

1. Describe the three types of B2B customers and what makes them different.
2. Name at least three differences between a B2C and a B2B purchase.
3. Describe two products or services a B2B purchaser would buy to meet esteem needs.
4. True or false: B2B buying decisions are rational.
5. True or false: The initiator in a B2B buying situation is also the decision maker.
6. Describe the first step in the buying process.
7. What is an RFP, and at which stage in the buying process is it used?
8. Describe FAB and how it is used in the selling process.

POWER (ROLE) PLAY

Now it's time to put what you've learned into practice. Following are two roles that are involved in the same selling situation—one role is the customer, and the other is the salesperson. This will give you the opportunity to think about this selling situation from the point of view of both the customer and the salesperson.

Read each role carefully along with the discussion questions. Then, be prepared to play either of the roles in class using the concepts covered in this chapter. You may be asked to discuss the roles and do a role-play in groups or individually.

The Best Way to Reach Boomers

Role: Director of marketing at Shooz Athletic Shoe Company

Sales have been far less than expected as a result of the economy. Shooz brand athletic shoes are targeted to baby boomers; they are flexible and comfortable, yet look cool. They are priced higher than the competition, and it seems to have been suffering at the hands of the promotional efforts of competitors. But the marketing strategy of Shooz is to continue to focus on its niche and be higher priced, despite the sinking economy.

You have a limited advertising budget that has been devoted primarily to television advertising. You are in the process of reviewing the numbers before your next meeting.

- Should you be open to new options and ways to increase your business?
- What role could a salesperson play in helping you think about different advertising options?

Role: Internet advertising salesperson

You are a salesperson for an advertising company named Online Marketing Concepts. You sell banner ads, e-mail, and social networking advertising for several online networks. Despite the growth of Internet advertising in the past several years, online advertising sales have been down due to the economy, which has had an impact on your paycheck. You would really like to get the Shooz account to buy some Internet advertising. You've done your homework, and you think that online advertising could really help the Shooz business. You haven't found any ads online for Shooz, and you have a great idea for an interactive advertising campaign targeted to baby boomers. Now, you're confident that if you get in front of the right person, you can see your idea and help Shooz grow its business.

- What step in the buying process is the director of marketing currently in?
- How might you prepare for this sales call based on what you know?
- How will emotions come into play in the purchase of advertising for Shooz?

PUT YOUR POWER TO WORK: SELLING U ACTIVITIES

1. Ask a professor, mentor, or other professional to share her portfolio with you. Ask her how she gathered examples of her work that she shows to prospective customers or employers.

Ask for feedback on your portfolio.

2. Create an online portfolio including your résumé, samples of your work, letters of recommendation, awards, and other proof of your skills. Review Web sites such as [Google](#) and [MyEvent](#). Don't forget to include your URL on your résumé in the contact information area.
3. Create a blog to demonstrate your skills. Review Web sites such as [Blogger](#) and [WordPress](#) as possible hosts for your blog. Choose a topic that you are passionate about (sports, music, movies, fashion, or whatever moves you). Follow the directions to personalize your blog and start writing. Remember to make regular and frequent posts; there's nothing less professional than an out-of-date blog. Keep it professional. Promote your blog on Facebook, Twitter, LinkedIn, and other professional networking Web sites.

TEST YOUR POWER KNOWLEDGE ANSWERS

1. Producers are companies or organizations that buy parts or ingredients to make a product or service. Resellers are companies or organizations that buy finished products or services to sell them to other companies or consumers. Organizations are government or nonprofit groups that buy products or services for consumption or to be sold to companies or consumers.
2. Size of purchases, multiple buyers, number of customers, and geographic concentration.
3. A building that bears the company name; doing business with only those companies that have the best reputations, such as McKinsey & Company; hiring only people who have an Ivy League education.
4. False. B2B decisions are dominated by emotions, especially trust and fear.
5. False. Although the initiator may be the decision maker, that is not always the case, especially in complex B2B buying decisions.
6. Need recognition includes the realization that there is a need for the product or service. The need might be identified by a user or anyone else inside the organization or by a customer.
7. The request for proposal is part of step four: searching for appropriate suppliers.
8. Feature, advantage, benefit is used in B2B and B2C selling and is used to appeal to a customer's emotions as in "what will this product or service do for me?"

KEY TAKEAWAYS

- A **consumer** who purchases in a B2C environment is the end user of the product or service.
- A B2B purchaser, also called an **organizational** or **institutional** purchaser, buys a product or service to sell to another company or to the ultimate consumer.
- B2B purchasers may be **producers**, **resellers**, or **organizations**.
- B2B buys are characterized by being methodical, complex, budgeted, high risk, analytical, and coordinated across different parts of the company.
- B2B purchases are larger than B2C purchases, include multiple buyers, involve a smaller number of customers, and are geographically concentrated.
- **Maslow's hierarchy of needs** describes how people are motivated based on the level of needs that are being satisfied. Understanding a customer's motivation based on the hierarchy can provide valuable insights for selling.
- There can be several types of people involved in a B2B purchasing decision, including **users**, **initiators**, **influencers**, and **decision makers**. An individual such as a buyer, purchasing manager, or materials manager might make buying decisions. Some companies use a **buying center**, a cross-functional team that makes buying decisions on behalf of the company.
- The traditional B2B buying process has seven steps: need recognition, defining the need, developing the specifications, searching for appropriate suppliers, evaluating proposals, making the buying decision, and post purchase evaluation.
- Emotions such as comfort, security, convenience, pleasure, and vanity are major motivations for buying decisions. Trust and fear are especially important in B2B buying.
- **FAB** (a.k.a. *features, advantages, benefits*) is the way to appeal to your customer's emotions with factual and emotional appeals.
 - A **feature** is what a product *has*.
 - An **advantage** is what the feature *does*.
 - A **benefit** is what the features *mean* to the customer.

PART VI.

PROSPECTING AND QUALIFYING

Learning Objectives

1. Explain the role of the seven steps of the selling process.
2. Understand the role prospecting plays in the selling process.
3. Identify resources to use when prospecting.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=119#oembed-1>

6.1 IT'S A PROCESS: SEVEN STEPS TO SUCCESSFUL SELLING

You may have been surprised if someone told you that movie scripts, regardless of the genre, all follow the same basic formula—the same sequence of events—almost down to the minute: after three minutes, the central question of the movie is introduced; after twenty-seven more minutes, the main character will set off on a new path; fifteen minutes more, and something symbolic will happen; and so on.¹ It's hard to believe that *The Fast and the Furious* would follow the same formula as *The Notebook*, but once you know what to look for, you'll see that the structure holds up. Clearly, Hollywood has come to learn that this particular structure is the secret to keeping the audience's attention, earning positive reviews, and selling movies.

In the same way, almost all selling—regardless of the product that's being sold—follows a particular sequence of steps. It's a simple but logical framework that has been the accepted model for almost a hundred years.² Salespeople have adapted the specifics of the process as culture and technology have changed, but the fact that they've followed the same basic model has for so long testifies to its effectiveness. The selling process is generally divided into seven steps that, once you understand them, will empower you to sell virtually anything you want and satisfy your customers: (Each step of the seven-step process is covered thoroughly in this and the next six chapters so that you can learn the details of each step and how to apply them in various selling situations.)

SEVEN-STEP SELLING PROCESS³

1. [Prospect and qualify](#)
2. [Pre-approach](#)
3. [Approach](#)
4. [Presentation](#)
5. [Handling objections](#)
6. [Close the sale](#)
7. [Follow-up](#)

WHEN THE SEVEN-STEP SELLING PROCESS IS USED

Up to this point, you have learned that the sales process is adaptive, which means that each situation may be different and salespeople have to adapt and understand what is important to each customer but in order for a salesperson to use adaptive selling, they must thoroughly understand the steps in the selling process.

1. King, V. (2001). How to write a movie in 21 days. *Quill Harper resource*, 34-37.
2. Montcreif, W. & Marshall, G.(2005). The evolution of the seven steps of selling. *Industrial Marketing Management*, 34(1), 13-22.
3. Solomon M., Marshall , G., & Stuart, E. (2008). *Marketing: Real People, Real Choices* (8th Ed.). Pearson.

The 7 steps work in both the B2C and B2B markets. In the B2C market, let's say you want to buy a gym membership. Maybe you received a promotional offer in the mail, your friends on Facebook have had good things to say about a particular gym, or you picked this club because it's close to home. Whatever the reason, you wander in and ask to speak to the membership director who seems to know a lot about the club and what you might be looking for. After some small talk about the fact that you both live in the same apartment complex, they tell you about the gym's amenities and give you a tour of the facility. Then, you sit down to discuss pricing options and payment plans. If you have any questions or concerns (i.e., "I noticed there are only three tennis courts. Is there usually a long wait to use one?" or "Why aren't there any kickboxing classes on your class schedule?"), the membership director will attempt to address those. Maybe they will tell you there is occasionally a wait to use the tennis courts at peak times, but you can reserve a spot up to a week in advance, in which case you can get right in. Or maybe they will say that while they don't have kickboxing classes, they offer Zumba, which is a fun aerobic alternative. If you're satisfied with their responses, and the price and product meet your needs, you will probably decide to sign a contract. Once you've signed, someone from the club will probably follow up with a call in a few weeks to see if you're satisfied with your experience at their gym, or you may get an e-mail from them with a membership satisfaction survey or a text message about an upcoming event.

The example above is an actual selling situation. Although you may not have realized it while you were reading it, the situation follows the seven-step selling process. Whether you're buying a gym membership or a car, cell phone service or a new computer, the situation may be different, but the steps in the selling in the selling process will follow the same pattern.

The process isn't only limited to business-to-consumer sales; it works in the B2B world. It is also the process that IBM will use to sell servers to a corporation, that Accenture will use to sell consulting services to a technology company, or that the Coffee Brewers Company will use to sell espresso machines to coffee shops. Imagine you manage a new restaurant. You get a call from a salesperson who compliments you on the roasted chicken they had at your restaurant last weekend. After some conversation, they ask if you're satisfied with your commercial ovens. You have been having some problems with them and have been doing some casual research online. You know that their company is rated as one of the best oven manufacturers, so you tell them: the ovens are over ten years old, they take a long time to heat up, and they sometimes cook things unevenly. "Many older ovens have this problem," they say. "Would you be interested in learning about the state-of-the-art commercial ovens our company sells?" Since you need a solution for your current ovens, you agree to set up an appointment with the salesperson. When they arrive, you are impressed that they know so much about your business. They visited your restaurant, reviewed your menu, spoke with some of the wait staff, read reviews on the city magazine Web site, and even had some conversations with some of your patrons on Chef's Blog. They explain that the ovens they sell heat up quickly and use energy more efficiently. They give you an estimate of your annual savings on energy costs if you switched over to their product line.

You're interested, but you're concerned that the ovens might not cook food evenly. Ovens are a big expense—what happens if you aren't satisfied with the product? The salesperson says you can lease an oven for a trial period at no obligation, and they show you reviews from other customers on their company's Web site and on some restaurant industry blogs. You feel like this might help you solve your problem, so you agree to lease the machine for four months. After two months, the salesperson calls to ask if you've been satisfied with the product so far, and they offer you a discount if you sign a

contract to purchase two ovens in the next ten days. Since you have been happy with the leased oven and checked out the company's service record online from other current customers, you make the purchase. As in the gym membership example above, this B2B selling situation follows the seven-step framework.

6.2 THE SEVEN STEPS OF SELLING

Let's do a quick review of the 7 steps in the selling process (each step will also be covered in detail in the following chapters).

STEP 1: PROSPECTING AND QUALIFYING

*Before planning a sale, a salesperson conducts research to identify the people or companies that might be interested in their product. In the B2B example, before the salesperson called the company, they had to find the company's information somewhere—probably in a local business directory. This step is called prospecting, and it's the foundational step for the rest of the sales process. A **lead** is a potential buyer.*

A prospect is a lead that is qualified or determined to be ready, willing, and able to buy. The prospecting and qualifying step relates to the needs awareness step in the buying process and is described later in this chapter. In other words, in a perfect world, you are identifying customers who are in the process of or have already identified a need. Undoubtedly, when the salesperson called the target customer to discuss their needs, they asked some questions to qualify the prospect. This is the other component to step one. What happens if the customer is not interested in the salesperson's product, or they are interested but their business is struggling financially and doesn't have the resources for a big purchase? Perhaps they are only an employee, not the manager, and they do not have the authority to make the purchasing decision. In this case, they are no longer a prospect, and the salesperson will move on to another lead. Salespeople qualify their prospects so they can focus their sales efforts on the people who are most likely to buy. After all, spending an hour discussing the capabilities of your company's needs with a lead that is about to go out of business would be a waste of time. It's much more fruitful to invest your time with a qualified prospect, one who has the desire or ability to buy the product or service.

STEP 2: PRE-APPROACH

The pre-approach is the “doing your homework” part of the process (see chapter 7). A good salesperson researches their prospect, the market, familiarizing themselves with the customer's needs, and learning all the relevant information regarding the product and service.¹ Remember that in the B2B example, the salesperson knew important information about the restaurant beforehand. They came prepared with a specific idea as to how their service could help the prospect and gave a tailored presentation.

STEP 3: APPROACH

First impressions (e.g., the first few minutes of a sales call) are crucial to building the client's trust).² If you've ever asked someone on a first date (yes, this is a selling situation), chances are you didn't first meet the person and start the conversation off with the question, “Hey, do you want to go out on Saturday night?” Such an abrupt method would turn most people away. Similarly, as a professional salesperson, you would almost never make a

1. Lucidchart. (2020). 7 step process-when to use it and when to break it. <https://www.lucidchart.com/blog/what-is-the-7-step-sales-process>

2. Brudner, S. (2017, February 1). 9 psychology tips that will get your prospect to trust you further. Hubspot. <https://blog.hubspot.com/sales/psychology-tips-that-will-get-your-prospects-to-trust-you-faster>

pitch right away; instead, you would work to establish a rapport with the customer first. This usually involves introductions, making some small talk, asking a few warm-up questions, and generally explaining who you are and whom you represent.³ This is called the approach and is presented in Chapter 8.

STEP 4: PRESENTATION

There's a good deal of preparation involved before a salesperson ever makes their pitch or presentation, but the presentation is where the research pays off and their idea for the prospect comes alive. By the time they present their product, a salesperson will understand their customer's needs well enough to be sure they are offering a solution the customer could use. If you're a real estate agent selling a house and your customers are an older, retired couple, you won't take them to see a house with many bedrooms, several flights of stairs to climb, and a huge yard to keep up—nor will you show them around a trendy loft in a busy part of town. The presentation should be tailored to the customer, explaining how the product meets that person or company's needs. It might involve a tour (as in this real estate example), a product demonstration, videos, PowerPoint presentations, or letting the customer actually look at or interact with the product. Presentation specifics are covered in Chapter 9.

STEP 5: HANDLING OBJECTIONS

After you've made your sales presentation, it's natural for your customer to have some hesitations or concerns called objections. Good salespeople look at objections as opportunities or as a good thing to further understand and respond to customers' needs.⁴ For instance, maybe you're trying to convince a friend to come camping with you.

"I'd like to go" your friend says, "but I've got a big project I need to finish at work, and I was planning to spend some time at the office this weekend."

"That's no problem," you tell him. "I'm free next weekend, too. Why don't we plan to go then, once your project's out of the way?"

The objection was not a roadblock to camping but an opportunity to create a solution.

STEP 6: CLOSING THE SALE

Eventually, if your customer is convinced your product will meet their needs, you close by agreeing on the terms of the sale and finishing up the transaction.⁵ This is the point where the potential gym member signs their membership agreement, the restaurant owner decides to purchase the ovens, or your friend says, "Sure, let's go

3. Cherry, P. (2006). *Questions that sell: the powerful process of discovering what your customer really wants*. AMACOM, 21.

4. Boyette, M. (2015). *3 reasons to welcome sales objections*. Leveleleven. <https://leveleleven.com/2015/01/3-reasons-to-welcome-sales-objections/>

5. Freese, T. (2003). *Secrets of question based selling*. Sourcebooks, 166.

camping next weekend!" Sometimes a salesperson may have to try several trial closes before the prospect is ready to close.⁶ Different closing techniques are covered in Chapter 11.

STEP 7: FOLLOWING UP

OK, so you've completed a landscaping job for your customer or sold them a car or installed the software that meets their needs. While it might seem like you have accomplished your goal, the customer relationship has only begun. The follow-up is an important part of assuring customer satisfaction, retaining customers, and prospecting for new customers. This might mean sending a thank-you note, calling the customer to make sure a product was received in satisfactory condition, or checking in to make sure a service is meeting the customer's expectations. It's your transaction" after you receive your Amazon order. Follow-up also includes logistical details like signing contracts, setting up delivery or installation dates, and drawing up a timeline. From the buyer's perspective, follow-up is the implementation step in the buying process. Good follow-up helps build trust and more sales, customer referrals, positive word of mouth and actually leads you back to the first step in the selling process because it provides the opportunity to learn about new needs for this customer or new customers through referrals.⁷ This is the last step in the 7-step process and is covered in [Chapter 12](#).

6. Cardone, G. (2017). *How trial closes can make you rich*. Entrepreneur. <https://www.entrepreneur.com/article/302451>

7. Infoentrepreneurs. (2009). *Close and followup the sale*. Infoentrepreneurs. <https://www.infoentrepreneurs.org/en/guides/close-and-follow-up-the-sale/>

6.3 PROSPECTING: A VITAL ROLE IN THE SELLING PROCESS

Imagine you decide to build a house from the ground up. After designing your ideal house, of course it would be nice if you could snap your fingers and get to the fun part: watching the finishing touches come together. But before the walls go up you have to make detailed plans and measurements, find your materials, negotiate with contractors, and lay the foundation. All these things require patience, time, and effort, but these steps are absolutely necessary for the project to move forward. Planning and laying a foundation is a little like prospecting and qualifying. Finding leads (or people who might be prospects) is the most vital part of the selling process—you can't make a sale without identifying the people to whom you'll be selling.¹ In other words, without prospecting, nothing else can happen. Yet, unlike laying a foundation, prospecting does not happen just once; it's a constant process. Businesses lose some customers every year for a variety of reasons: customers may no longer need the product or service, have the financial means to purchase the product or service, or live or do business in the area, or the business may no longer be open. So, if you haven't been building your prospect list, you won't have new customers to replace the ones you lose.

THE VALUE OF A LEAD

Think of the last time you went to the store to make a major purchase and you started by browsing the products. A salesperson probably approached you with the standard "Can I help you?" and you may have responded with the equally standard "No, thanks. I'm just looking." Chances are good that the salesperson left you alone after that, very likely assuming you were not genuinely interested in making a purchase. Most people—salespeople and customers alike—are surprised to learn that over two-thirds of shoppers who give the "just looking" response end up purchasing the product within a week.² In other words, these customers are valuable leads, and all too often their business goes to a competitor.

Let's say you are planning to buy a new refrigerator. That's generally not the kind of purchase you make on the spot; you will probably go online and compare products and prices first. If you tell the salesperson at the first store that you're just looking, you may then go to a second store and decide you're ready to buy. As a customer, if the vendors seem more or less equal, you will base your purchasing decision on price, product features, convenience, or a combination of these things. But imagine the salesperson at the first store who took the time to determine your specific needs, wrote down your contact information, and followed up with you. It is very likely they would make a sale. Their products might be quite similar to their competitors', but if they go out of their way to provide you with a solution, you have a reason to buy from them over someone else.

Now let's change hats. What does knowing this information mean for you as a salesperson? Most importantly, it means that you should never write off a lead until you are certain they cannot be qualified as a prospect. If you work in a showroom that sells only high-end cars like Lexus or BMW and a potential customer walks in wearing torn jeans and a T-shirt, you might be tempted to mentally disqualify them, assuming they won't have the money to buy such expensive cars. But appearances are often misleading, and you won't know whether or

1. Stone, A. (2009, June 5-11). Denis Kelly photography took a shot with Facebook. *Philadelphia Business Journal*, 10-11.

2. Bressler, J. (2009, May 13). How Much to Spend to Acquire New Customers?" *CEO World Magazine*. <http://ceoworld.biz/ceo/2009/05/13/hto-much-to-spend-to-acquire-new-customers>

not your lead is actually qualified until you ask some specific, qualifying questions. When you realize that a lead is the only thing you can turn into a sale, you also realize just how valuable every lead is.

THE SALES FUNNEL

If you talked to a guidance counsellor when you were applying to colleges, they probably told you to consider several and then apply to a number of schools (more than just two or three) even though you would only end up choosing one school in the end. This is because not all the schools that you apply to end up being a good fit. Sometimes you aren't accepted, sometimes you are accepted but don't get an ideal financial package, and sometimes as you learn more about a school you decide it isn't the right one for you. Whatever the reason, you start out by considering many schools and generally end up deciding between a few.

The same can be said of the selling process. In fact, the process is often compared to a funnel. You start out with many leads, and after gathering more information, you come up with a smaller list of qualified prospects. As you communicate with these potential customers and work toward a solution, some will turn out to be more likely to buy than others. It's common sense to assume that you will have more leads than you have buyers since not all leads turn into customers. The concept of the sales funnel is a helpful way to visualize the process of finding and qualifying your customers and effectively illustrates the value of identifying a large pool of potential prospects. If you don't bother to find more than a handful of leads, you limit your chances of ever closing a sale no matter how much effort you put into your sales presentation.

But wait a minute, you might think, "Isn't it hugely inefficient to spend time and effort communicating with so many prospects with the expectation that only a handful of those will turn out to be buyers?" This is also true, which is why qualifying and prioritizing your prospects is such an important part of the sales process.

Watch the YouTube video *The Sales Funnel* posted by *Selling Power* and learn how to use the sales funnel to maximize leads.



Traditional Sales Funnel



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=125#oembed-1>

Now that you understand the concept of prospecting and why it's important, you'll find the next sections helpful as they will provide you with tools to help you find prospects and qualify prospects.

6.4 GO FISH: RESOURCES TO HELP YOU FIND YOUR PROSPECTS

In the last section, you read that prospecting can be compared to setting up the plans and laying the foundation for a building project. You could also say that prospecting is a little like going to class or making your bed—you've got to do it, and you know that it won't be long before you're doing it again (assuming you make your bed regularly!). Because prospecting is one of those jobs that's never truly finished, it's helpful to draw on a number of sources and be creative about the places where you find your leads.

WHERE TO FIND PROSPECTS

*It helps to **be** your customer. Imagine yourself in your prospect's shoes and think about where you would go for information. For instance, if you are a photographer who specializes in professional yearbook and graduation pictures, you might want to set up a Facebook account so you can let students in local schools know about your service.¹ Meanwhile, if you are in B2B sales and your ideal prospects are car dealerships in northern California, you might build up your professional network by joining the local branch of the National Auto Dealers Association or by joining some community organizations in your city. Prospecting takes knowledge and creativity, so start your prospecting and qualifying with the top ten power prospecting list below. No matter what business you're in, think of this section as your GPS for finding the leads that will fuel your business growth.*

TOP TEN POWER PROSPECTING LIST

1. Existing customers
2. Referrals
3. Networking and social networking
4. Business directories in print & online
5. Newspapers, trade publications, and business journals
6. Trade shows and events
7. Advertising and direct mail
8. Cold or warm calling
9. Being a subject matter expert or thought leader
10. Organizing your prospects

1. Stone, A. (2009, June 5-11). Denis Kelly photography took a shot with Facebook. *Philadelphia Business Journal*, 10-11.

POWER PROSPECTING SOURCE #1: EXISTING CUSTOMERS

*It costs five times more to attract a new customer than to keep an existing customer.² So it stands to reason that your best new customers are your existing customers. Salespeople who make an effort to deliver excellent customer service during **and** after a sale know the secret that some of their best prospects are the customers they already have. One of the keys to retaining your best customers is to keep in touch with your customers' needs and update your solutions as their needs change. Say you work for a marketing company that offers a variety of services to businesses. One of your customers, a publishing company, is using your printing services, but they're turning to another organization for their public relations needs. If you are aware of this, your existing customer is now a prospect for additional sales. You might tell the company, "You know, your current PR people are setting up events and concerts to increase your publicity, and that seems to be working only moderately well. If we were running your PR, we would integrate your events with a variety of other media. For instance, we think a blog would be a hugely effective tool..." If the company is already a loyal customer and you let them know that you are aware of their needs and can offer a better solution, then you may very well make a new sale.*

POWER PROSPECTING SOURCE #2: REFERRALS

There's nothing more powerful than getting information about a product or service from a friend or people you trust before you buy. Think about the last time you bought a printer. You probably checked out the customer reviews on Amazon, asked your friends, checked out some blogs, and maybe even got some insights on Twitter. Before you bought your particular printer, you knew exactly what to expect from people who have bought and used the product, and you learned that if you buy it at Office Depot, you get free shipping and two free ink cartridges. Although you never shopped at Office Depot before, you were sold before you even clicked "buy now" on the Office Depot's Web site. Imagine that you did not even come in contact with HP or Office Depot. You made your purchase based solely on the information from others. The power of the referral cannot be underestimated.

Referrals and word-of-mouth advertising have always been one of the most effective—and cost-efficient—ways to get new customers. It used to be that the circle of referrals was limited to people who used your product or service in a given geographic area. The Internet has amplified that network, especially with user-generated content such as communities, blogs, customer ratings and reviews, and social networking sites. So as a salesperson, you have to think creatively about all of resources you have to generate referrals. The internet has challenged the traditional funnel approach to sales "flipping" it and using it like a megaphone so that your loyal customers can broadcast their love for you. In Figure 7.3 shows the traditional funnel and the flipped funnel in terms of creating word or mouth and referrals.

2. Wertz, J. (2018, September 12). *Don't spend 5 times more attracting new customers, nurture existing one.* Forbes. <https://www.forbes.com/sites/jiawertz/2018/09/12/dont-spend-5-times-more-attracting-new-customers-nurture-the-existing-ones/#6ed1303b5a8e>



Salesfusion, 2020 – image must be replaced

Want to see how it works? When Naked Pizza, a small takeout and delivery operation in New Orleans, decided they wanted to compete with the city’s chain pizza places, they turned to their existing customer base for sales prospects by putting their Twitter address on every pizza box that went out the door. As Jeff, Randy, and Brock, the company’s founders put it, “Even your most core customers must be continually and softly nudged.”³ The prospecting effort has been a huge success with their existing customers posting tweets that have introduced the brand to new customers. The Twitter-enabled follow-ups allowed Naked Pizza to continue the conversation and ensure that a greater number of first-time buyers become repeat customers—and that **they** spread the word to more new customers. Talk about a megaphone!

Whether you sell pizza or insurance, if your existing customers are happy, they’re usually happy to refer you to their friends, online or offline.

POWER PROSPECTING SOURCE #3: NETWORKING AND SOCIAL NETWORKING

The art of networking, developing mutually beneficial relationships, can be a valuable prospecting tool, not only for retaining old prospects, but also for connecting with new ones. The larger and more diverse your network becomes, the bigger your pool of potential prospects. Your networking connections often become sources of referrals for your business, just as you will become a referral source for theirs.

If you’re a member of the American Chemical Society and you work for a chemical supply company, you might use your membership to get acquainted with chemists who work at a variety of labs. You could offer them your card and let them know that you provide supply discounts for fellow Chemical Society members. Now these prospects will be more likely to buy their chemical supplies from you than from a company or individual with

3. Leach, J., Crochet, R., & Fillinger, B. (2009, May 29). *How One Small Business Uses Twitter to Build Its Brand*. Advertising Age. <http://adage.com>

whom they have no personal connection. If one of your customers needs a chemist with a particular specialty, you, in turn, will be able to refer him to someone in your network.

Joining a professional trade association is one simple way to network with others in your field, or with prospects in your target industry. If your business is location specific, joining community organizations can also be a valuable tool for connecting with local business leaders and prospects. Consider service organizations like the Rotary or Lion's club, the Chamber of Commerce, Meet-ups, fraternity organizations, and other affinity groups that will allow you to build relationships with members of the community.

What about social networking? You're probably well acquainted with online social networking sites like Facebook, LinkedIn, or Twitter but you may be less familiar with the ways people leverage these tools in a professional capacity. "In fact, companies who use social selling practices regularly are 40% more likely to hit their revenue goals than those who don't have a social selling process"⁴ and "78% of salespeople engaged in social selling are outselling their peers who are not."⁵ What does this mean — social selling practice? It is different from social marketing as social selling is "the art of using social media to find, connect with, understand, and nurture sales prospects. It's the modern way to develop meaningful relationships with potential customers so you're the first person or brand a prospect thinks of when they're ready to buy." Social selling is being present on social media sites to add value, create or build relationships, show expertise, and gain word of mouth referrals. Building connections through social media builds trust which we have already learned is essential in building relationships in sales. Keep in mind that 87% of B2B buyers say they would have a favourable impression of someone introduced through their professional network. Clearly, this is an essential channel for prospecting.

POWER PROSPECTING SOURCE #4 BUSINESS DIRECTORIES IN PRINT AND ONLINE

Forget Google for a minute. It might surprise you to know that your local library can actually be a potential goldmine for finding prospects in B2B sales. If you spend even twenty minutes with a knowledgeable librarian, they can point you to business lists, journals, and business directories that will help you generate a pool of leads to contact. Your ideal customer profile is an important guiding tool here.

If you want customer information that is location specific, check out your local chamber of commerce listing. It is one of the best sources for finding local businesses. If the listing is not at the local library, chances are the librarian will have the contact information for the chamber office. You can also review business lists and directories published by local newspapers and regional business journals. Local newspapers and their Web sites often provide listings of local businesses along with key information about the company.

TIP

If you want to search businesses by industry, ask a reference librarian to help you look up the North American Industry Classification System (NAICS) code and the Standard Industrial Classification (SIC) code that most closely matches your ideal prospect's business—or access the indexes online, and bring the codes with you to the library. NAICS and SIC codes are numbering systems that classify businesses by their particular industry, so they can be valuable search criteria to mine general business directories.

4. Cook, M. (2019, October 30). *Effective sales prospecting techniques you should be using*. Hubspot. <https://blog.hubspot.com/sales/effective-sales-prospecting-techniques-you-should-be-using>

5. Newberry, C. (2019, April 23). *Social selling*. What it is, why you should care, and how to do it right. Hootsuite. <https://blog.hootsuite.com/what-is-social-selling/>

For example, you could use the SIC code 6371 to find all businesses that deal with pension, health, and welfare funds.⁶

POWER PROSPECTING SOURCE #5: TRADE PUBLICATIONS AND BUSINESS JOURNALS

Where could you go to learn that three bottled beverage companies have recently lightened their package designs, that a new biodegradable shrink film is now on the market, and that the Pharmaceutical Packaging Forum has chosen a location for its next event? These definitely are not top headlines on Bing! But to people in the packaging and packing materials industry, this is important news, and many of them use Web sites like Packworld.com to stay updated. Trade publications, journals geared toward people who work in a certain industry, and trade Web sites are good sources for netting prospects. For instance, if you work for a company that designs food and beverage packaging, and your department specializes in bottle design, you might read an article on Packworld.com and find out that Flybeverages is using a new shrink wrap on its new line of nubby bottles which include Nectr seltzers, Matt's High Sodas, and Uncle Arnie's Iced Tea Lemonade but instead of alcohol, this line contains between 10 and 100 mg of tetrahydrocannabinol (THC).⁷ You decide to make a call to some managers at competing companies like Fiji. You tell these prospects that you've read about their competitor's new bottle design and ask if they are interested in some packaging updates as well, which will help save on shipping costs and provide some good PR.

*Many industry trade journals offer free e-mail newsletters or even free copies of the magazine. But what if your ideal prospects aren't limited to a particular industry but **are** specific to a certain location? In this case, business journals, which are often regionally published and offer business news and industry information for particular cities or states, will be helpful. Think *Yam* or *Douglas* magazine in Victoria. Your local library will undoubtedly have a subscription to one, or even several, business journals for your region. Additionally, Bizjournals.com links you to the Web sites for forty regional business journals.*

POWER PROSPECTING SOURCE #6: TRADE SHOWS AND EVENTS

If you've ever been to a trade show or expo, like a career fair or bridal show, you know they're a good place to find out about products and services about which you might not otherwise be aware (and to get some fun free giveaways while you're at it). While most people who stop by a given booth at an expo might not be seriously interested prospects, trade show displays and product demonstrations generate enough strong leads to make this activity a worthwhile prospecting endeavor. For one thing, trade shows are industry-specific events that have the advantage of bringing your target market to you. If you are a horse breeder and you know that an estimated ten thousand visitors will attend the Horse World Expo in Syracuse, New York, you might decide it's worthwhile to go.⁸ You could look into giving a presentation about judging horse pedigrees, for instance, or maybe you will pay to set up a booth with videos and photos of the horses you breed and sell. As a salesperson, you can use trade shows not only to present and demonstrate your products but also to identify and qualify prospects.⁹ Asking a few

6. NAIC association. (2020). NAICS & SIC identification tool. <https://www.naics.com/search/>

7. Reynolds, M. (2020, May 19). Shrink sleeve fits fine for cananabis seltzer & soda lime. [Packworld. https://www.packworld.com/machinery/coding-printing-Rackham_labeling/article/21133928/shrink-sleeve-fits-fine-for-cannabis-seltzer-soda-line](https://www.packworld.com/machinery/coding-printing-Rackham_labeling/article/21133928/shrink-sleeve-fits-fine-for-cannabis-seltzer-soda-line)

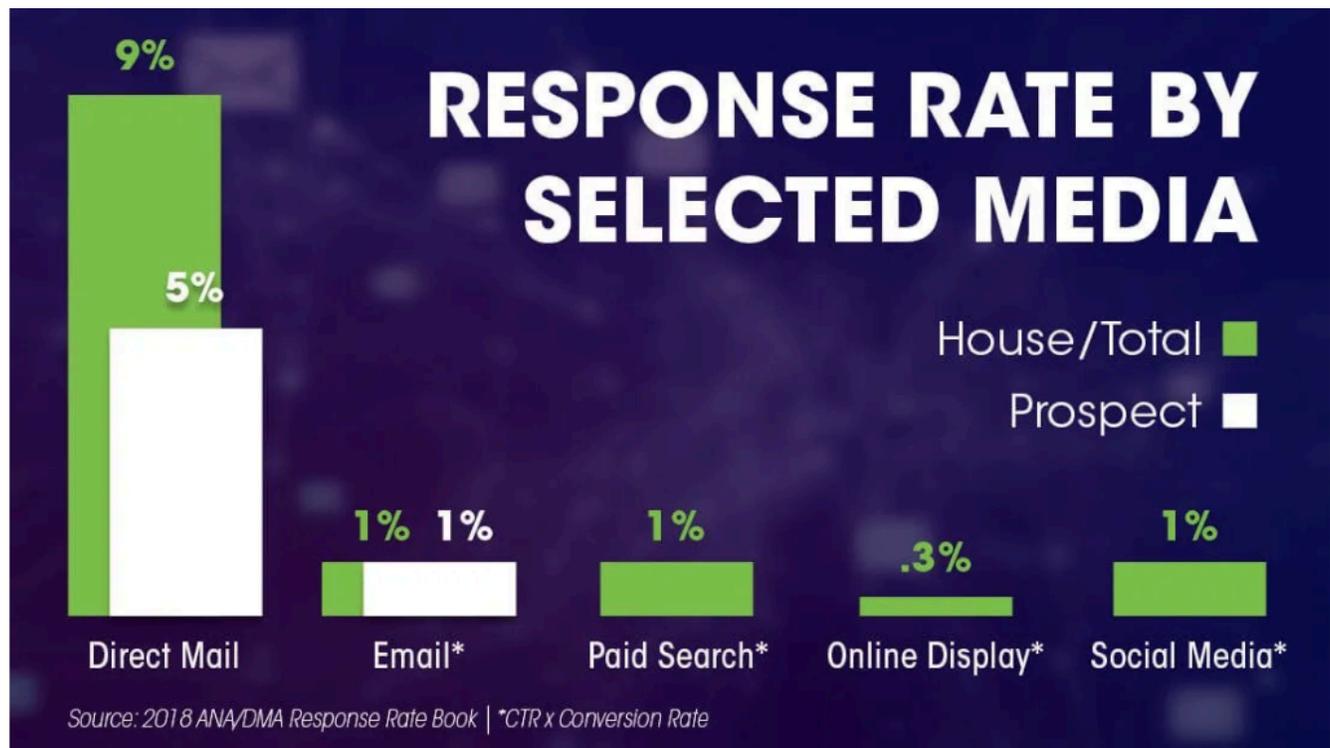
8. Palmateer, P. (2007, May 4). Inaugural Horse World Expo Coming to Syracuse. CNY Business Journal. http://findarticles.com/p/articles/mi_qa3718/is_20070504/ai_n19304825/?tag=content;coll

9. Weitz, B., Castleberry, S. & Tanner, J. (2003). *Selling: Building Partnerships*. McGraw-Hill Irwin.

specific questions can help you assess a prospect's needs and determine whether he has a genuine interest—as well as the resources—for buying. Trade show booths usually have a place for leads to enter their contact information so you can follow up with your prospects and save leads in your customer database.

POWER PROSPECTING SOURCE #7: ADVERTISING AND DIRECT MARKETING

When you think of “junk mail,” you probably think about something you would normally throw in the trash but have you ever received a direct-mail advertisement that you’ve actually considered, or even responded to? Maybe you are a member of the Canadian Library Association, and someone has sent you an e-mail about an upcoming library conference in a nearby city because you opted in, or gave permission to receive information from the company. Or maybe a local real estate agent has sent out fliers to the residential areas in your zip code and you just happen to be thinking of selling your house. Direct marketing, or communication in the form of direct mail or e-mail sent directly to your potential prospects, gives you the advantage of reaching a large pool of leads without having to invest the time to individually contact each one. Methods such as direct mail and e-mail allow your prospects to self-qualify since only the ones with genuine interest will follow up. On the flip side, direct mail yields a lower rate of return than most other methods—about 5.3%.¹⁰ E-mail has similar response rates depending on the offer or communication.



Credit: screenshot of Response Rate Comparison from Barthe, J. (2019, March 1). When should you use direct mail advertising? Spectrum Marketing. <https://spectrummarketing.com/author/jarrodsnc/>

As you can see from Figure 7.4, although the rates are low for direct marketing, the cost is low making it worthwhile to still invest in this prospecting method, considering the relatively low inputs of time and money it takes to reach so many. You do need to ensure that you target your mailing lists (paper or email) so that the

10. Barthe, J. (2019, March 1). When should you use direct mail advertising? Spectrum Marketing. <https://spectrummarketing.com/author/jarrodsnc/>

time and money you **do** put into direct mailing or e-mail campaigns will not be wasted if you send out your communications at random.

POWER PROSPECTING SOURCE #8: COLD CALLING & WARM SELLING

In the last ten years, Pat Cavanaugh, CEO of a Pittsburgh-based promotional products company, has grown his business 2,000 percent—and he’s done almost all of it through cold calling. Cold calling, or making an unsolicited phone call or visit to a prospective customer, can be quite effective for the salespeople who know the right approach, but it’s also most salespeople’s least favourite prospecting activity. For one thing, you never know whether the person on the other end of the line will be rude or hang up on you altogether. But according to Rain Group, (2019), and supporting Cavanaugh, cold calling pays off.

Cold Calling Does Pay Off

69% of buyers accepted a call from new salespeople in the past 12 months.¹¹

Cold calling by phone or in person to get your customer’s attention is much easier than email and you can customize far easier by phone or in person providing better value to your prospect. Its key to remember that, you don’t have to sell your product during the call; the goal is only to make a positive connection and start the relationship¹² You don’t have to lay the schmooze on either. Instead, be direct and sincere, and be yourself. Your prospect, who is probably very busy, will appreciate directness and brevity. Cold calling is a perfect way to find out which in the buying process the lead is at. They might still be a lead for future sales, but at this time they are not a qualified prospect. For that matter, if your lead seems unreceptive, you might also decide to end the call or to offer to try back at another time. Ultimately, it’s important that your prospective buyer doesn’t feel like they are being pressured in any way; people have come to expect pushy salespeople on the phone, and you want to set yourself apart from this perception.

WHAT IS WARM CALLING?

If you can do any research on your prospect before making a call, try to know the size and scope of the company, key people, company culture, and anything about the company that has recently come up in the news. “Your initial contact with new prospects doesn’t have to be — and in fact, shouldn’t be — completely cold. It can be incredibly useful to warm up your prospects before making the initial contact. You can increase your chances of a warmer reception by familiarizing the prospect with your name or your company affiliation before you make your first call or send your first email. A few ideas as to how to achieve this: get introduced by a shared connection, comment on a piece of content the buyer shared on social media, or “like” a status update or job change announcement on LinkedIn.”¹³ After explaining who you are, you might say, “I recently read in Crain’s Chicago Business that your company’s number one priority in the coming year is doubling revenues

11. McGovern, M. (2019). 43 cold calling statistics that will rock your sales world. Resourceful Selling. <https://www.resourcefulselling.com/cold-calling-statistics/>

12. McGovern, M. (2019). 43 cold calling statistics that will rock your sales world. Resourceful Selling. <https://www.resourcefulselling.com/cold-calling-statistics/>

13. Cook, M. (2019, October 30). Effective sales prospecting techniques you should be using. Hubspot. <https://blog.hubspot.com/sales/effective-sales-prospecting-techniques-you-should-be-using>

by increasing your sales force....” Doing your research and keeping a few simple tips in mind should take the pressure off in cold calling and give you the confidence to establish crucial prospect connections.

POWER PROSPECTING SOURCE #9: BE A SUBJECT MATTER EXPERT

Wouldn't it be great if, rather than going out to track down prospects, you could get your prospects to come to you? Presenting yourself as a subject matter expert, an authority in your field, is one secret for making this happen. CEO and consultant Keith Ferrazzi, started using this technique shortly after graduating from college. Even though he didn't have much experience under his belt as a new graduate, he picked an area and began researching until others in his industry came to know him as an expert and would go to him for consultation and advice. Set up a blog or write articles offering free advice. According to Ferrazzi,¹⁴ you should make a habit of writing and publishing articles in your industry.

If you include your contact information and a brief bio on your website, blog, or other sites, then qualified prospects will often find you on their own. For instance, maybe you work for a company that sells résumé and cover letter consulting services for job seekers. You decide to write an article explaining “10 Things to Avoid When Dressing for a Job Interview,” and you post the article on your blog and submit it to CollegeGrad, a Web site that publishes helpful blog posts like yours. You allow CollegeGrad to use your article for free in exchange for posting a link to your Web site in the margins of the Web page. Now when people perform a Google search on “dressing for a job interview,” your article may come up, ensuring that a number of people who match your ideal prospect profile see the information about you and your product.

When generating B2B leads, you can often find prospects by offering Web-based seminars, or Webinars, with helpful advice on some aspect of marketing, or by publishing informative reports (white papers) that people can download for free. For instance, a marketing consulting firm might offer a white paper on “Increasing Your Open Rate on E-mails” that businesses can download for free as long as they register their information on the firm's Web page. Requiring users to register allows the firm to track contact information for new leads with whom they can then follow up by e-mail, cold call, or mail. Even better, if a lead finds that the free advice they downloaded is useful, they will quite likely contact the firm voluntarily to find out about the marketing services they provide.

POWER PROSPECTING SOURCE #10 ORGANIZING YOUR PROSPECT INFORMATION

If you've ever ordered shoes from Zappos, you might be aware that the company is known for its excellent customer service but you might not know one of their secrets to achieving this: keeping detailed records of every interaction they have with a customer. These records are part of a customer relationship management (CRM) system, the tools a company uses to record and organize their contacts with current and prospective customers. CRM is part of prospecting as it allows you to keep a record of your leads, your prospects, your sales, background information on your prospect and business, and so much more. Using your CRM system to set daily or weekly targets and to update when someone drops out of the funnel and needs to be replaced (one out, one in concept).

CHOOSING A SYSTEM

CRM software allows you to maintain relationships in a systematic way, following up more consistently with your leads and continuing to meet the needs of your existing customers. If the individual with whom you've been doing business at a particular company leaves, you should update that in your database and begin prospecting for another lead at the company. If you've recently mailed information to some of your leads, CRM software will help you keep track of which customers the mailing went to and how recently it went out, so you know when

14. Ferrazzi, K. (2020). *To be known or unknown*. Inc. <http://www.inc.com/resources/sales/articles/20061001/kferrazzi.html>

*to follow up with those prospects by phone. You have a huge range of CRM programs from which to choose, and while these applications were once large-business luxuries, more recently there are versions that are priced within the reach of smaller businesses as well.*¹⁵

15. Kroll, K. (2007). CRM: Software as a Customer Service. Inc. <http://technology.inc.com/software/articles/200706/CRM.html>

6.5 QUALIFYING YOUR PROSPECTS

After you have identified your prospects, it's important to understand that **all customers are not created equal**. Some customers are willing to form business partnerships and grow with you over time while others are just looking to do business with whoever offers the lowest price. Some prospects may never be able to help you or your company achieve your business goals, or their goals may not be strategically aligned with yours, even if you really like doing business with them. Choosing customers carefully will save you time and energy and help you meet your goals. You don't want to spend several hours writing up a proposal for one of your prospects only to find out they were never genuinely interested.¹

Think back to the sales funnel and the idea that you start out with a large pool of leads and end with a much smaller number of customers. While it is important to cast your nets broadly when you're rounding up leads, you'll work most effectively if you weed out the unlikely from the likely early on. You can qualify your leads to determine whether they are legitimate prospects by discovering whether they have the **willingness** and the **ability** to make a purchase. Consider these four questions to help you meet your qualifying objectives:

- Does he or she have the resources to purchase the product or service? (**Money**) Sometimes knowing the answer to this question involves contacting the lead and asking some questions. Other times, you can figure this out by doing company research before ever getting in touch with the lead. You wouldn't have tried to make a major sale to Circuit City just before they went out of business because they wouldn't have had the resources to buy.
- Does he or she have the authority to make the buying decision? (**Authority**) You can try to sell candy to a five-year-old, and they will probably want to buy it, but unless you can convince their parents to make the purchase you don't have a sale. Similarly, your lead at a company may love your product and tell you it's exactly what their company needs but if they are not the person with the power to buy, they are not a qualified prospect. This doesn't mean you should write the company off, but you'll have to figure out how to get in touch with the person who can make the buying decision.
- Does your prospect have a need? (**Need**) This is the most basic thing to figure out about your prospect. There is no use pursuing another individual in the company or delivering a persuasive presentation if there is nothing you can do for this person or organization. If you sell new cars, and your lead is satisfied with the car they bought three months ago, you don't have anything to offer them.
- Do you have access to the influencer or decision makers? (**Access**) This is relatively straightforward in B2C sales, but in B2B, it can be hard. If you wanted to sell your clothing line to Macy's, you couldn't go downtown to your local branch and pitch your product. Large organizations have layers of personnel, and it's challenging to ferret out the people whose can influence the buying decision. Think about whether you **can** reasonably access these individuals.

This qualifying technique is called **MANA** (money, authority, need and access).

1. Cherry, P. (2006). *Questions that sell: the powerful process of discovering what your customer really wants*. AMACOM.

MANAGING YOUR PROSPECT BASE

*So you've qualified your prospect and you have their information in your CRM system. It would be nice if that were all it took. But your CRM is only a way of tracking and organizing customer information; making an action plan, a specific plan of approach, for each customer is up to you and you won't make any sales if you don't act. After qualifying, you might have some prospects with a clear need, buying authority, and a fairly high level of interest, while others seem uncertain. If you classify your prospects as "hot," "warm," and "cold," you can prioritize by devoting the most initial energy to your top potential customers.² No two customers are alike. This means that even though you've qualified prospects A and B and determined that they **do** have needs you think you can meet, those needs will be different, possibly drastically so. It's a good idea to begin your action plan by conducting a careful needs analysis—that is, what specific problems is this prospect facing and how can my product help solve those problems?*

2. Brown, D. (2009, February 2). *Growing and Managing Your Prospect Pipeline*. Coreconnex. <http://www.coreconnex.com/2009/02/04/growing-and-managing-your-prospect-pipeline>

6.6 REVIEW AND PRACTICE

POWER WRAP-UP

Now that you have read this chapter, you should be able to understand the seven steps of the selling process and how to identify and qualify sales prospects.

- You can **list** the seven steps of the selling process and how they work.
- You can **understand** the vital role of prospecting in the selling process.
- You can **compare and contrast** the difference between a lead and a prospect.
- You can **discuss** the role of the sales funnel.
- You can **identify** ten prospecting sources.
- You can **understand** how to qualify leads to become prospects.
- You can **apply** the tools of prospecting to your job search.

Exercises

Test Your Power Knowledge (answers are below)

1. List the seven steps of the selling process.
2. Why do salespeople qualify their leads before they call on them?
3. When a customer says, "It's too expensive," that's an example of which step in the selling process?
4. True or false: After the sale is made, the salesperson's job is done.
5. Why is prospecting considered the foundation of the selling process?
6. Describe the sales funnel.
7. Describe the difference between a lead and a prospect.
8. Identify at least three business directories or databases that you can use to identify prospects.
9. Identify three business journals that can be used for prospecting.
10. Why is cold calling effective for prospecting?
11. What is a subject matter expert? How can being a subject matter expert help you prospect for leads?

POWER (ROLE) PLAY

Now it's time to put what you've learned into practice. Following are two roles that are involved in the same selling situation—one role is the customer, and the other is the salesperson. This will give you the opportunity to think about this selling situation from the point of view of both the customer and the salesperson.

Read each role carefully along with the discussion questions. Then, be prepared to play either of the roles in class using the concepts covered in this chapter. You may be asked to discuss the roles and do a role-play in groups or individually.

Count on Me

Role: Controller

You are the controller of a paper company. You currently have an internal accounting department, but since your company is growing so quickly, you are considering using an accounting services company to supplement the internal department. You met a sales rep from AccountSource at the last trade show, and their services sounded like what you need at your company.

- What do you expect the sales rep to know about you and your business when she calls you?
- What do you want to know about AccountSource and the sales rep when she calls?
- What will convince you to agree to meet with the sales rep?

Role: Sales rep for AccountSource

You are prospecting for new customers because your sales goals have increased and you need to expand into new areas. You met the controller from a paper company at the latest trade show, and you think this could be a good lead. You have some questions that you would like to ask the controller to see if this is a qualified lead.

- Will you conduct research before you call the lead or after?
- What research, if any, will you do?
- What questions will you ask the controller?
- How will you qualify this lead?

PUT YOUR POWER TO WORK: SELLING U ACTIVITIES

1. Visit your campus career center to learn about prospective target companies, especially those that interview on campus. Do research on the companies including the names of hiring managers in the department in which you may want to work.
2. Create your complete list of twenty-five target companies including at least three hiring managers at each company.

TEST YOUR POWER KNOWLEDGE ANSWERS

1. *Prospecting and qualifying, preapproach, approach, presentation, handling objections, closing the sale, and follow-up.*
2. *Qualifying helps save time so you don't waste time calling on people who don't have the time, money, or authority to purchase your product or service.*
3. *Handling objections.*
4. *False. The salesperson's job really begins when the sale is closed.*
5. *When prospecting is done correctly, the other steps in the selling process build upon it.*
6. *The sales funnel is a helpful way to visualize the process of finding and qualifying new prospects and ultimately converting them to customers. Not all leads become prospects, and not all prospects become customers.*
7. *A lead is a qualified prospect.*
8. *There are several databases and directories, including Directory of Corporate Affiliations, Hoovers, and D&B Million Dollar Database.*
9. *There are several business journals including Wall Street Journal, Business Journals (by city), Crain (by major city).*
10. *Cold calling gives you an opportunity to talk to the prospect and learn more about his goals and how you can add value.*
11. *Subject matter experts are people who are authorities in their field. Subject matter experts share their knowledge at trade shows, at industry events, on blogs, and in other online communities and social networks. Being a subject matter expert helps establish you as being a leader in a particular area. Prospects usually want to learn more from and do business with subject matter experts.*

KEY TAKEAWAYS

1. The **seven-step selling process** refers to the sequence of steps salespeople follow each time they make a sale. The process gives you the power to successfully sell almost anything.
2. The first step of the selling process, **prospecting and qualifying**, involves searching for potential customers and deciding whether they have the ability and desire to make a purchase. The people and organizations that meet these criteria are **qualified prospects**.
3. Before making a sales call, it is important to “do your homework” by researching your customer and planning what you are going to say; this is the **preapproach**.
4. The **approach** is your chance to make a first impression by introducing yourself, explaining the purpose of your call or visit, and establishing a rapport with your prospect.
5. Your research and preparation pays off during the **presentation**, when you propose your sales solution to your prospect.
6. Your prospect will naturally have **objections**, which you should look at as opportunities to better understand and respond to his or her needs.
7. Once you overcome objections, you **close** the sale by agreeing on the terms and finalizing the transaction.
8. The sales process doesn’t end with the close; **follow-up** (i.e., ensuring customer satisfaction and working out the logistics of delivery, installation, and timelines) is essential to retaining existing customers.
9. Prospecting is the most vital part of the selling process. Without prospects, you will not be able to make sales, and without constantly searching for new prospects, you won’t be able to replace the customers you lose and grow your business.
10. A **lead** is the only thing you can turn into a sale, so it’s important to follow up with your leads. Don’t write someone off without legitimately qualifying them.
11. The concept of the **sales funnel** illustrates the value of generating a large pool of leads because many of your prospects won’t qualify or will drop out during the selling process.
12. Methods for prospecting include:
 - **Existing customers and referrals** can be excellent sources of prospects because the customers are already familiar with your service and can speak on your behalf.
 - **Networking** provides the opportunity to leverage your existing relationships to develop new leads.
 - **Business directories and databases** (in print and online), trade publications, business journals, are all excellent sources to identify leads.
 - **Trade shows** and events give you an opportunity to talk to prospects.

- Advertising and **direct marketing** provide a way to reach out to many prospects who may have an interest in your product or service.
 - **Cold calling** is an opportunity to approach the prospect and learn more about how you can meet her needs
 - Being a **subject matter expert** can set you apart and help generate leads because of your expertise.
13. Qualifying the lead includes identifying if the prospect is ready, willing, accessible, and able to make a purchasing decision about your product or service. **MANA** is the method used to qualify prospects.

PART VII.

THE PREAPPROACH: THE POWER OF PREPARATION

Learning Objectives

1. List how to research a qualified prospect.
2. Define needs and opportunities as they relate to sales.
3. Create SMART precall objectives.
4. Describe the key elements of preparing for a sale.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=140#oembed-1>

7.1 RESEARCHING YOUR PROSPECT: GOING DEEPER

Spring break is just around the corner. You and your friends definitely want to go away somewhere great. You decide on Cancún, Mexico, as a destination. Since you want to get the best plane fare and hotel rate, you will have to book early. That means planning, coordinating, and even doing some research on the area. You want everything to be perfect—after all, this is spring break. Just as preparation made your spring break trip come together perfectly, preparation also makes a sales call successful. By now you have identified and qualified your prospects, you have come up with an action plan, and you are probably eager to get down to business. However, you cannot just call your prospect or show up at their door without doing your homework first.

How big is their business? What are their business goals? What is the company culture? Are they already doing business with any of your competitors? In what ways do your products or services present a solution they could use?¹ Customer-focused relationship selling demands that you place top priority on uncovering customer needs. Doing your research and coming prepared gets your prospect's attention and shows them that you care. It gives you the power to sell adaptively and puts you ahead of your competitors. Keep in mind that when someone ultimately decides to do business with you, they are trusting you with one of the things that is most important to them—their money.

GATHER INFORMATION

By the time you're ready for the pre-approach, you've already done some initial research as part of the qualifying process. With the pre-approach, you take your research to the next level; you find out as much as you possibly can about the company or individual with whom you want to do business. As marketing and strategy expert Noel Capon says, a thorough understanding of your prospect's business processes and challenges gives you the crucial insights you'll need to offer specific, workable solutions your customers can use. Gathering this information demonstrates personal commitment and boosts your credibility with your prospects.²

It's particularly important to identify your key accounts, your current customers who are—or have the potential to be—your most significant sources of sales. Maybe you sell insurance, and you've contracted with a large restaurant chain to provide their employee health and dental plan. This key account is one of the largest companies with whom you do business, so you make an extra effort to stay informed about developments that affect this company. You've recently received a news alert that due to an unstable economy the restaurant chain has decided to cut employee hours. As a result, many of the staff members are now working part-time and no longer qualify for full health benefits. Based on this information, you call your contact at the company and offer to provide a more flexible and less expensive partial employee benefits package for which their part-time workers could still qualify. You tell them that this solution will serve their company's need to cut costs and will allow them to retain employees who might otherwise become dissatisfied and leave. Whether you are contacting new or existing customers, it is important to have your specific call objectives in mind and to clearly map out the information you have already gathered about the company so that you can refer to it during the sales call. You can keep this information organized using a precall planning worksheet that lists the key company

1. Rakham, N. (1996). *The SPIN selling fieldbook*. McGraw-Hill.

2. Capon, N. (2001). *Key account management and planning*. Free Press.

statistics you've identified as part of your research and includes a checklist detailing the purpose of the call: the information you'd like to learn about the company, the solutions or key facts you plan to communicate, and any other goals you hope to achieve. The worksheet does not have to be complex; it can be as straightforward as the sample in Figure 8.1 "Precall Planning Worksheet".

Sample Precall Planning Worksheet

Company:
Contact:
Phone:
Location:
Source of Lead:

Key facts I already know about...

The company:

My contact/prospect there:

Goals to achieve by end of call

Information I plan to gather about the company:

Information I plan to gather about my contact/prospect:

Information the prospect should know about me/my company:

Specific actions the prospect should agree to take:

How the company should feel about working with me/us:

Listing your goals in writing before you make a sales call gives you the power to measure the success of your call. Did you get the information you needed? Did you communicate the information you listed in your checklist? If not, how can you adapt your approach and set goals for your next sales call?

GOING DEEPER WITH THE FUNDAMENTALS: WHAT YOU'LL WANT TO KNOW

The first sales call (or calls) is often an extension of the qualifying process (Remember MANA from Chapter 7). Even if the company passes initial qualification, as you learn more you might find out that they are not your ideal customers after all. You might discover that your contact at the company is about to leave or change positions. Or you might realize that the company's current situation isn't one in which they're willing or able to buy. The following are some things you will want to know as you research the company during your pre-approach.

1. ABOUT THE COMPANY

- *Demographics. Understanding the basics will help you ensure the company fits your ideal prospect profile and allow you to tailor your solution to fit the company's particular situation. What kind of business is it? How large is the business? How many locations do they have? How many people work for them? Where is the home office located? How many years have they been in business?*
- *Company news. Tracking company news is another way to discover opportunities for sales. Has the company put out any recent press releases? (You can generally find these on the company Web site in the investor relations, press release, or press room section.) Has the company recently appeared in the news? [Setting up Google News Alerts](#) for your current and potential customers will keep you up-to-date on this.*

Don't just read the news; creatively think about what the news is telling you about selling opportunities with a prospect. For example, if you were selling paper goods (cups, lids, straws, bags, cup jackets, napkins, etc.) to coffee shops, you would have read a press release about the test marketing of McCafés several months before the national launch. Then you would have read about the announcement of the national launch a few months before it was planned to occur. These press releases are selling opportunities. You might think it would only be a selling opportunity if you were selling to McDonald's, but that's not true. The fact is McDonald's announced that it was about to expand the market for premium coffee. That's an opportunity to help your customers and prospects. For example, what if you suggested that your customers and prospects print an advertisement on their bags, napkins, cups, and cup jackets to announce a promotion called "Morning Joe Wake-up Call"? "Buy a cup of coffee every day for ten days and get a free cup of Joe!" This helps increase their sales, which ultimately increases your sales. You could bring this idea to your customer or prospect in advance of the McCafé launch and discuss how your idea can help him build his brand prior to the competitive effort. Now that's using company news to drive sales.³

- *Financial performance. Keeping up-to-date on the company's financial performance will help you determine whether your prospect is currently able to buy, which might lead you to discover sales opportunities. All publicly held companies are required to post their quarterly earnings on their websites. Generally, there will be a link for "investors" or "investor relations" on the company home page that will take you to financial data, including a recording of the company's quarterly earnings conference call. It's a good idea to listen to these conference calls to learn important information about*

3. Tabio, G. (2009, May 14). *Creative solutions*. Presentation at Greater Media Philadelphia Sales Meeting, Philadelphia, PA.

the company's strategy and financial performance.

2. ABOUT THE COMPANY'S CUSTOMERS

- *Customer demographics. Are the company's products used by businesses or individual consumers? If consumers, what age, education, and income level? If businesses, what size and kind of businesses? Knowing the organization's customer demographics will help you tailor your solution to the company. For instance, if you're selling clothing designs to Old Navy, knowing that the company appeals to families and that it draws in value-conscious customers, you might send them samples from your more basic and reasonably priced clothing line, rather than your top-of-the-line products or your trendiest designs.*
- *Size of customer base. In B2B sales, it's important to know whether your prospect serves many customers or primarily works with a few large accounts. Microsoft, for example, sells its products to large corporations, but they also deal with individual consumers. Some companies, on the other hand, work with a few large accounts, so their success is very dependent on the success of their key customers. If your prospect is a sporting goods manufacturer that only sells its products to Bass Pro Shop, their financial performance will affect the performance of your prospect's business.*
- *What customers are saying about your prospect. You can learn a lot about a company by paying attention to its reputation with customers. If the business has a lousy customer service record, they might not treat their vendors well either. This is why it is worthwhile to read customer reviews as part of your qualifying process. For instance, if you do business in the tourism industry, you might look through Trip Advisor or Yelp for reviews about your prospect. Amazon has reviews for all of their vendors and for large companies, doing a Google search will often bring up customer reviews on the organization, or you can try a Web site like [Epinions](#). For local companies, try searching your regional [Better Business Bureau \(BBB\)](#) to see if any customer complaints have been filed against the company.*

3. ABOUT THE CURRENT BUYING SITUATION

- *Type of purchase. In the chapter "Why and How People Buy" you learned the different types of buys—straight rebuy, modified rebuy, or strategic alliance. Knowing that information is extremely valuable during your pre-approach research. Is the customer making a first-time purchase of the product? (For instance, maybe you're selling disaster recovery services to a company that has previously lived with the risk of not having their data backed up.) Or will this purchase be a rebuy? Maybe the customer is an interior design firm. The firm already buys paint from a certain supplier but is thinking of making a modified rebuy: purchasing a more environmentally friendly line of paints, either from the same supplier or from someone else (hopefully you!). On the other hand, maybe the design firm is already buying from you and is perfectly happy with the paints and with you as a supplier, so it decides to make a straight rebuy of the same product. It's also possible that your prospect is considering a strategic alliance with your company in which your organizations would make an agreement to share resources. For example, Chapters bookstores only uses Starbucks in their stores⁴ and Petro Canada only has A & W in their gas stations. Knowing the type of purchase will help you position your solution to*

4. Kamau, N. (2016, September 20). *Successful strategic alliances: 5 examples of companies doing it right*. Medium. <https://medium.com/partner-sales-acceleration/successful-strategic-alliances-5-examples-of-companies-doing-it-right-5ef859c821c4>

best fit the situation.

- *Competitor/current provider. If your prospect is already buying from another company, you'll want to know who your competitor is. What do you know about this company and their products? Most important, what are your competitor's strengths and weaknesses? Consider the interior design firm that is about to make a rebuy. If you've done your research, you might be able to tell the firm, "I know your current supplier offers a high-quality paint product in a wide range of colour choices. Our company offers a wide range of colour choices, too, and our product consistently gets high reviews. However, unlike your current provider, we also have a line of soy-based paints, which are better for the environment and for your customers' and employees' health than the regular latex variety. Using soy-based paints will increase your reputation as a progressive, socially responsible business." Knowing your prospect's current supplier gives you the power to favorably position your product by highlighting the things that set you apart from the competition.*
- *Current pricing. If the information is available, find out what your prospect's current supplier charges for their product or service. This information will give you the edge to competitively position your solution. If you charge less than your competitors, you can highlight your product as a cost-saving alternative. If your products cost more, you might consider offering a discount or other benefit to provide a better solution. On the other hand, if your products are more expensive because they're of a higher quality, you should emphasize that fact. For example, soy-based paint is generally more expensive than latex paint, but depending on your customer's needs, the extra cost might be worth the benefits of a healthier, "greener" product.*

4. ABOUT THE CONTACT PERSON

- *Title and role in the company. This is basic and essential information to know. It will help you to personalize your communications and will give you a better sense of your business situation. What role does this person have in the buying decision? Are you dealing with an influencer in the organization? Does this contact person have the authority to make a buying decision, or is this person a gatekeeper, a person with whom you must talk in order to get to the decision maker?*
- *Professional background. How long has this person been at the company, and what positions have they held? What roles have they had at other companies? This information will help you to adapt your communications and solutions to the individual. You can find valuable information on professional social networks such as LinkedIn and Twitter and use it as you prepare your approach and presentation. For instance, you might find out that someone in your network knows the person you are planning to approach and they can provide an entry for you. You might also learn that the person you plan on calling on was previously a buyer at two other companies and usually likes to bring in their previous vendors. If that's the case, you might adapt your approach to include benefits that you have brought to other buyers who switched to your company.*
- *Personal information. Everyone likes to do business with people they like. Learning what you can about your contact's family, hobbies, and interests demonstrates that you care about them as an individual and helps you build a relationship with your customer. This is useful information to keep on hand for the opening of the sales call when you want to put your prospect at ease and convince them of your goodwill. And it's good information to use as follow-up or just to keep in touch. ("I know you are a huge University of Florida fan so I thought you would enjoy this video of the team's summer training camp.")*

- *Essential problem(s) your contact needs to solve. Knowing this information takes you right to the heart of the issue. Maybe your prospect is the marketing manager at the company and has recently been given the task of finding a new breakthrough idea for a promotional product to give away at a major upcoming industry trade show. Or maybe your prospect owns a grocery chain and needs to increase their sales in the frozen food area with organic products. Learning the specific problems your contact faces in their role at the company is the only way you can adapt your solution to meet their needs. The best way to identify your prospect's problem (or opportunity) is to do extensive research on the company.*
- *Motivation for buying. If your contact is already buying from another supplier, what reasons might they have to start buying from you instead? For instance, are they dissatisfied with the quality of their current provider's service or the price of the product? If they are satisfied, what value can you bring that provides a reason for them to consider changing suppliers? On the other hand, if this is a first-time purchase, what will drive their initial decision to buy?*

5. ABOUT YOUR EXISTING CUSTOMERS

Your current customers are your best prospects. While you might be excited about a new account, make sure you don't spend so much time and energy on new prospects that you neglect the ones with whom you've already established a relationship.

- *Opportunities to expand the relationship. There is no better place to increase your sales than with your existing customers. They know you and your product or service, you know them and their needs and challenges. So start by leveraging the information you already know about your customer's business. This is the best way to expand your relationship. For instance, if you have sold fitness equipment to a regional chain of health clubs and you know that it is important for them to minimize maintenance costs and down time, you could target the buyer as a prospect for the new line of weight machines with hydraulics. You could also expand your research and determine how much money the club could save in a year based on the number of machines and include that as part of your presentation. This is establishing your value proposition, what you have to offer that your prospect or customer is willing to pay for. If your customer is using some of your services in combination with your competitor's services, this is also a sales opportunity: find out how satisfied your customer is with the competitor's services and see if you can come up with a better solution. ("You're currently using our hydraulic weight machines, but I see that you're buying your exercise machines from this other company. Did you know that we offer treadmills, exercise bikes, and elliptical machines that come with free maintenance and product replacement guarantees?") If your customer has a contract with this competitor, finding out when the contract expires will help you time your sales call effectively.⁵*
- *Opportunities for synergy. How can you partner with your customer in new ways that will benefit both companies? Or are there additional services or products you offer that, used in combination with your customer's current purchases, would create an even stronger solution? For example, Linksys has its Linksys One program, which offers B2B customers high-speed wireless networks combined with an Internet telephone service and several software services. By combining one company's software and hardware products and services, customers are able to streamline their work, creating a simpler, more efficient system (Noronha, 2007). If you can demonstrate potential synergy with an existing*

5. Sim, M. (2008, August 12). *Leveraging your CRM System to expand your client relationships*. Get Entrepreneurial. http://www.getentrepreneurial.com/customer-service/leveraging_your_crm_system_to_expand_your_client_relationships.html

customer—that is, collaboration that produces greater results than individual products, services, or parties could produce alone—you have an opportunity to expand your business with that customer.

6. SOURCES OF INFORMATION

When you want to dig deeper with your research, you can often return to the same sources you used during the qualifying process and simply get more specific with the information you gather.

- *Online searches for demographics of the key people in the organization.*
- *Business directories. Remember the library for paid subscriptions.*
- *Publicly available contracts. Real estate closings, government contracts, and other vital information that is part of public records can help provide pricing, terms, and other important data that can help you benchmark against the competition and better understand your prospect's current situation.*
- *Trade journals. Trade journals are a good source for learning more about people and companies in your target industry.*
- *Blogs, social networks, and online forums. These online resources can provide insight about the prospect, the competition, and the environment. Many company employees and executives post regularly about their perceptions and feelings on many topics. These comments can provide valuable insight about the prospect.*
- *Professional organizations. Joining professional organizations (in person and online) can help you build relationships with contacts at your target companies. These organizations also serve as a source for competitive knowledge and for your connection to industry buzz.*

In addition to these sources you've already used, consider another powerful resource: people. If you've already formed a relationship with key people in your target company, you can ask them for referrals to influencers in other departments of the organization. If they're satisfied with the service you've been providing, these contacts are often happy to give you the names of others who might be able to use your solutions. Complementary salespeople can also be an excellent source of information about a prospect. For example, if you are selling computer hardware you might find nuggets of information from the person who sells office furniture. You can help each other by sharing insights and information.

It might surprise you to know that competitive salespeople can also be a resource. If you're a member of a professional organization, if you attend conferences or tradeshows, or if you're simply connected in your community, you'll probably know competitive salespeople. While your competitor isn't going to give you the inside scoop on a prospect they are currently pursuing, they might share some useful insights about companies or people they have worked with in the past.

7.2 SOLVING, NOT SELLING

Imagine you wanted to sell a new digital camera to your teenage sister. How would you convince them to buy? You might start by thinking of the things that matter to teenagers—specifically your sister. Maybe you'd say, "It's small and lightweight so you can fit it in your purse and take it with you when you go out with your friends. It has a new sleek design, and you can customize it by ordering it in one of six different colours." You've considered things your sister might need (a camera she can take on a night out), and you've identified an opportunity that might appeal to a teenaged girl (a combination of appearance, style, and functionality).

Now what if you were selling the same product to your grandmother? She might be more concerned with reliability than appearance, and she might also be intimidated about using a digital camera if it's a technology she hasn't tried before. "This camera doesn't have a lot of bells and whistles," you could say. "It's straightforward and easy to use and makes an excellent choice for a first digital camera purchase. It's perfect for taking pictures of the grandkids. It has also been highly rated as a reliable and high-quality product." You've addressed her problem (intimidation about using a new technology), and you've helped her discover opportunities (taking photos of the grandkids).

*Even though you're selling the same product to both people, you're using a very different approach. Ultimately, what you're selling is not a product but a **solution** based on your customer's specific needs. This is the heart of the preapproach. There are three simple steps you can follow to turn your products and services into customer-specific solutions: A needs and opportunity analysis, brainstorm, and benefit statements.*

STEP 1: COMPLETE A NEEDS AND OPPORTUNITY ANALYSIS

*Great salespeople don't sell, they solve. As you research your prospect, you should be able to identify problems that are specific to that person or organization: Do they need to reduce costs? Do they need to increase sales? Do they need to drive traffic to a Web site or generate leads for their new service? In the case of individual consumers, the problem might be very different: Does she want to have the latest in fashion without couture prices? Do they want the latest technology "toys" as soon as they are available? Do they want a car that is a dependable form of transportation and friendly to the environment? Sometimes people are forthcoming about their problems, but many times it's up to you to ask the **right** questions; the ones that will uncover what your prospect needs or where opportunities exist. This can be included in your pre-call planning worksheet.*

STEP 2: BRAINSTORM SOLUTIONS AND GENERATE IDEAS

Once you've identified your customer's problems, take the time—either with a team or on your own—to brainstorm solutions and opportunities that address your prospect's specific needs. Sometimes solving your prospect's problem is a straightforward task, but often with larger sales, particularly B2B sales, coming up with a solution that is tailored to your customer's needs requires time and thought. Brainstorming—the process of generating ideas—is a crucial part of the selling process. When you go into a brainstorming session, there are several techniques that will help you generate effective results.

- *Know your problem or opportunity. If you've already completed your needs analysis, you're off to a good start. According to James Feldman, a Chicago-based idea-generation consultant, "Most people do*

not identify their problem correctly” going into the brainstorming session. Once you have a clear idea of the problem or opportunity, set it out in specific terms to guide your brainstorm. Just make sure you don’t define the problem so narrowly that you’ll limit your results. Start the session by stating the objective. What problem do you want to solve? It also helps to frame the question in positive terms. For example, rather than asking “How will this company’s new computer system change the way they do business?” you could ask “How can this company get the most out of their new computer system?”¹

- *Generate; don’t evaluate. Brainstorming is not about coming up with the best, most carefully polished solutions. It’s about quantity –generate the most ideas and then once you’ve exhausted your resources, you can worry about sorting out the stronger ideas from the weaker ones. This will ensure a greater change of producing a radical and effective solution.² Keep pushing for new ideas as that is often when the best ideas come out—when you think you are out of ideas!*
- *Seek strategic stimuli. Sometimes you have to disrupt your normal routine to get the ideas flowing. Putting yourself in a new environment or doing something with your hands—molding clay, for instance—can often be a surprising way to unlock ideas in your subconscious that your rational mind might otherwise block off.*

Brainstorming, as an idea-generation tool, is a proven and powerful part of creative development. However, keep in mind that some of the ideas you come up with in the brainstorming process will be stronger than others. A great idea has two important elements: it solves your customer’s problems and, in B2B sales, it reinforces your customer’s brand.

If you are working out of your home and you don’t have a group of people with which to brainstorm, it’s not a problem. Get your colleagues in other areas involved by having a brainstorming conference call. Or have a virtual brainstorming session through your professional social network by using the discussion feature on LinkedIn, getting ideas from your followers on Twitter, or creating a wiki where people can share ideas at any time and see the ideas that others have created. The bottom line is that selling is all about selling your brand (remember from Chapter 1 that a brand is unique, consistent, and relevant and has an emotional connection with its customers.

STEP 3: IDENTIFY GENERAL AND SPECIFIC BENEFIT STATEMENTS

Once you have brainstormed a customer-specific solution, you want to find a way to showcase your solution in the best light. How will you present this idea to your prospect so that they can immediately see its relevance to their situation? As part of your pre-approach, you should identify both a general and a specific statement to highlight the benefits of your solution or opportunity. When you deliver value to your prospect, you earn the opportunity to be a business partner, not just someone who is trying to sell something. Imagine you work for a dairy products distributor that sells wholesale to restaurants. You’ve researched one of your prospects, a downtown deli, and have identified one of its major problems: the company is losing business to the sandwich place across the street. Your prospect may not yet realize the source of the trouble, but you have an idea. It seems that the prospect’s competitor has cheaper sandwiches, and you know for a fact that part of the problem lies in the cost of the ingredients. Your prospect currently pays 10 percent more for the cheese it gets from its current vendor than you would charge for the same product. If the deli started buying cheese from you, it would be able to lower the cost of its sandwiches to a more competitive price and draw some of the sales that are going to its

1. Wellner, A. (2003, October 1). *A perfect Brainstorm*. Inc. <http://www.inc.com/magazine/20031001/strategies.html>

2. Morrison, M. (2016, April 11). *Brainstorming technique for innovation, creativity and problem solving—a business strategy*.

competitor. You have also brainstormed how the deli can create a “signature sandwich”: a unique combination of meat and cheeses that only it offers. The sandwich provides a point of difference for the deli and a reason for previous deli customers to come back. In other words, you are helping to build your prospect’s brand and business with a great idea. This is a good solution, but you can’t walk into the deli and tell your prospect, “I want to sell you some cheese.” Your prospect doesn’t need cheese; they need to increase their sales, and they will probably tell you to go away because they already have a dairy products vendor. It is your job to frame the solution in such a way that your customer can easily see its relevance to their problem; you want to answer the “What’s in it for me?” question early on in the sales call.³ Begin by drafting a general benefit statement, a statement that gives the big picture of how your solution will meet your prospect’s need. For instance, you might say, “I have an idea for a way to increase your sandwich sales by 15 percent.” Your statement showcases a solution rather than a product.

General benefit statements, as opposed to specific benefit statements, are broad enough that they would be important to most people.⁴ They might address things like improving company visibility, expanding the business, increasing profits, or cutting costs. See Table for examples.

Table: Benefit Statement Examples

General Benefit Statement	Specific Benefit Statement
<i>I have an idea that can help you lower your labor costs. Is that something you might be interested in?</i>	<i>If I can prove that I can help you reduce your labor costs by 10 percent, would you be willing to make a commitment?</i>
<i>I have some ideas about how to increase traffic to your Web site. Is that something that is of interest to you?</i>	<i>If I can show you how our social networking tool can drive 15 percent more traffic to your Web site during key seasonal periods, would you be willing to consider it?</i>
<i>I have some ideas about how to decrease your transaction time and take care of more customers every hour. Is that something you are interested in?</i>	<i>If I can show you how our product can decrease your transaction time for each customer by at least one minute, would you be interested in looking at the proposal?</i>

3. IDENTIFY PRECALL OBJECTIVES: GETTING SMART ABOUT YOUR SALES CALL

Identifying your prospect’s need is only part of your pre-approach research. There is still more research and planning for you to do before you meet with or speak to the customer.

DETERMINE YOUR OBJECTIVES

If you haven’t determined what you hope to achieve before going into your sales call, it will be difficult to figure out what to say once you arrive or once you have your prospect on the phone. Setting precall objectives is a strategically important step. Customers will appreciate your organization and will be more likely to trust your judgment if you come prepared. You also don’t want to waste **your** time or your company’s time as the average sales call today costs more than \$250!⁵ The bottom line is to think about what outcome you are looking for and that doesn’t always mean closing the sale. In some situations, you will experience a one-call close, but with larger sales, particularly in B2B sales, the sales cycle, or the length of time it takes to go from the first contact with the customer to closing the sale, is generally longer—sometimes even taking up to a year or longer. Consider Telegraph Hill Robes, a San Francisco-based company that sells bathrobes to upscale hotels with spas. Buying

3. Natenberg, T. (2020). *What’s in it for the prospect? Everything—if you tell them.* Selfgrowth.com. <https://www.selfgrowth.com/articles/Natenberg12.html>

4. Gerber, P. (2005, April). *The Sales Professional: Initial Benefit Statement.* Houston Business Review. <http://www.houstonbusiness.com/HBReview/contributors/philipgerber/gerberarchive13.html>

5. Christie, M. (2013, March 5). *Calculating the cost of a sales call.* Salesforce training. <https://www.salesforcetraining.com/calculating-the-cost-of-a-sales-call/>

enough bathrobes to stock a hotel spa is a large investment, one that most customers have to carefully consider. The sale has to clear with two contacts at every company: the general manager and the head of housekeeping. As a result, when Telegraph Hill first started selling its product in 1996, its average sales cycle was two years!⁶ If you know that you are facing a longer sales cycle, the goal of your initial call might be gathering and conveying specific information to move forward in the sales process or further qualify your prospect. You should also consider your prospect's objectives: what outcome are they hoping for from this call?

MAKE YOUR OBJECTIVES SMART

So, it's early in the process of a complex sale, and you are setting your goals for your next meeting with your customer. You know it will primarily be an information-gathering session because you need to know more before you can propose a workable, specific solution. However, if you go into the meeting with a vague plan like "I want to find out more about my prospect's business," you won't accomplish much.⁷ Instead, you might come up with a goal similar to the one mentioned earlier: "By the end of this meeting, I want to know who my prospect's current vendors are, what issues or challenges they face with this vendor's services, and what three priorities they have for future purchases." This objective, like all effective precall objectives, is SMART. That is, the goal is **Specific, Measurable, Actionable, Realistic, and Time-bound**:⁸

- **Specific.** The goal should clearly define which actions you want your customer to take, what information you hope to convey, and/or what information you hope to learn from your sales call.
- **Measurable.** You want to be able to measure the results of your efforts so that you'll know at the end of your sales call how close you came to achieving what you set out to do. This will help you strategize about which actions to take next.
- **Actionable.** If a goal is actionable or attainable, it's something you can actually **do**. It might involve asking questions, explaining something, or suggesting something. Whatever the case, it should be something on which you have the ability to act. In some instances, the actionable goal might be as simple as closing the sale: "By the end of the meeting, I plan to convince my prospect to sign a contract."
- **Realistic.** If you set your goal too high or try to move your sales process along too quickly, you will only be setting yourself up for disappointment and failure. Ask yourself, "What can I reasonably hope to accomplish given the current situation with my prospect?" If you decide you want to get appointments with ten top people in the organization during your first contact with the company, or if you intend to close a major account by your first call, you will probably not be able to achieve what you set out to do.
- **Time-bound.** Not only should you know **what** you hope to achieve, but you should also know **when** you hope to have it accomplished. In the example objective, your time frame is "by the end of the sales call." Other times, you might set a specific date—for example, "Get the prospect to agree to schedule a face-to-face meeting by the 15th."

SMART objectives give you the power to sell strategically by setting goals you can achieve.

6. Greco, S. (2007). *The need for speed: How to rev up your sales cycle*. Inc. <http://www.inc.com/magazine/20070401/salesmarketing-smart-selling.html>

7. OnStrategy I Virtual Strategist. (2008, October 17). How to Set SMART Goals (video). <http://www.youtube.com/watch?v=uThBb3kGf4k>

8. Bjerke, M., & Renger, R. (2017, April). Being Smart about writing SMART objectives. *Evaluation and Program Planning* (61), 125-127. <https://doi.org/10.1016/j.evalprogplan.2016.12.009>

S = Specific

M = Measureable

A = Actionable

R = Realistic

T = Time-bound

Examples of SMART Objectives

SMART Objectives	Objectives that are not SMART
<i>Complete at least 25 cold calls to qualifys prospects by September 2023.</i>	<i>Conduct as many sales calls as soon as possible.</i>
<i>Increase sales of Waffle Wraps t chain grocery stores by 8% over last year by December 2023.</i>	<i>Sell as many Waffle Wraps as possible this year.</i>
<i>Convert 33% of leads to customers within 30 days of initial contact.</i>	<i>Convert some leads every day so that you always have new customers</i>
<i>Follow up with every prospect.</i>	<i>Follow up with every prospect and customer after every sales call.</i>

4. PREPARE YOUR PRESENTATION

Once you've done your research, brainstormed your solution, and set your SMART objectives, you've got a good foundation to move forward. The only homework left to do is planning your sales presentation. Even if you have a stellar solution to offer, and even though your objectives may be clearly defined, you can't make your sales pitch hoping to just "wing it." A well-planned presentation can often be the thing that makes or breaks a sale. If your customer sees you as well prepared (i.e., if you have thoughtfully tailored your style, presentation materials, and agenda to match what you know about your contact and their company culture), you will go far in establishing a strong rapport with your customer and earning their trust and respect.

FOUR PS OF PRESENTATION PREPARATION

Preparing your sales presentation can seem like an overwhelming task. How long should you speak, and how much time should you allow for questions? Should you use demonstrations or examples? How formal should you be? What points should you address first? Here are four general guidelines to keep in mind as you begin the planning process.

PRIORITIZE YOUR AGENDA

Your presentation should be well organized. Think about how you want to lead in, when you will introduce key information in your presentation, and when you will use product demonstrations. When Tom Szaky, CEO of the garden products company TerraCycle, gives a sales presentation, he prepares by drawing up an agenda that prioritizes the information he wants to convey and arranging it in a strategic order. For example, Szaky knows that if he presents his product near the beginning of the presentation, his customers will make their buying decision before they know what makes TerraCycle unique, so he starts off all of his presentations by talking about the features that set his company apart.⁹ Not only will prioritizing your agenda give you a strategic edge, but it will also help your customer to see that you are organized.

PERSONALIZE IT

At this phase in the preapproach you should have some knowledge about your contacts in the company, and you should understand the company's particular culture and priorities. As you plan your presentation, you can use this knowledge to tailor your approach to your prospect. Think about social styles (from Chapter 5) and how you can customize your presentation. Is your prospect a "fun" company that would respond well to humor or interactive opportunities during the presentation? Are you presenting to a group of busy executives who would value an efficient, no-nonsense approach? Think about the level of formality your customers will expect. This will dictate how you dress, how you speak, and how you design your visual aids and demonstrations.

When Tom Szaky gives a presentation to buyers from Wal-Mart (one of his biggest customers), he dresses casually, perhaps wearing a corduroy jacket, a John Deere cap, and frayed shoes. Wal-Mart presents itself as a no-frills company, and this attitude carries over into its corporate culture. Understanding this aspect of the company and the contacts with whom he's working—representatives from the garden department—Szaky adapts his approach to match.

PREPARE ILLUSTRATIONS

People respond best to things they can see and experience for themselves. Your sales presentation won't be complete without product demonstrations and visual aids to inspire your customers and help them see the value of your product firsthand. As you develop this aspect of your presentation, consider slides or handouts that will reinforce key points. Consider the things that will best help this particular customer visualize your solution as a winning one. For example, in one presentation to Wal-Mart buyers, Szaky displayed a binder full of newspaper clippings in which TerraCycle had helped Wal-Mart generate positive publicity. He also used a short video and brought in a live plant grown with his potting mix. In addition, because his contact at the company had asked

9. Clifford, S. (2006, February 20). *Practice, Practice*. Inc. <http://www.inc.com/magazine/20070201/features-sales-performance-szaky.html>

*to see what the product might look like on the sales floor, Szaky brought in a merchandizing mockup to help his buyers visualize TerraCycle's potting mix in their stores.*¹⁰

PRACTICE

Finally, once you've created your presentation, practice it. You want the presentation to come off smoothly, but you also want it to seem natural.

10. Clifford, S. (2006, February 20). *Practice, Practice*. Inc. <http://www.inc.com/magazine/20070201/features-sales-performance-szaky.html>

7.3 REVIEW AND PRACTICE

POWER WRAP-UP

Now that you have read this chapter, you should be able to understand the preapproach in selling.

- You can **describe** the role of key and target accounts.
- You can **complete** a precall planning worksheet.
- You can **list** resources to use to conduct preapproach research about prospects.
- You can **identify** needs and opportunities of prospects.
- You can **generate** ideas for your prospects in an effective brainstorming session.
- You **create** general and specific benefit statements.
- You can **determine** SMART precall objectives.
- You can **explore** six different ways to get your cover letter and résumé to the right people.

Exercises

Test Your Power Knowledge (answers are below)

1. What is the difference between a key account and a target account?
2. Why is a precall planning worksheet completed?
3. Why are customer demographics important in B2B selling?
4. What is the best source of prospects?
5. What is the role of trade journals in researching your prospects?
6. What are some important pieces of information you should learn when you are researching a prospect?
7. List and explain at least three sources of information you would use when researching your prospect.
8. Should you filter your ideas during the brainstorming process? Why or why not?
9. Name two techniques of effective brainstorming.
10. Create a general benefit statement to use if you were selling Starbucks coffee to your friend.
11. What do the letters SMART stand for?
12. Write a SMART objective for your first meeting with a prospect during which you want to learn who is the decision maker.

13. Name at least one thing you should do to prepare for your presentation to a prospect.
14. Name at least three ways to get your cover letter and résumé to the right people.

POWER (ROLE) PLAY

Now it's time to put what you've learned into practice. Following are two roles that are involved in the same selling situation; one role is that of the sales manager and the other is that of the salesperson. This will give you the opportunity to think about this selling situation from the point of view of both the sales manager and the salesperson.

Read each role carefully along with the discussion questions. Then, be prepared to play either of the roles in class using the concepts covered in this chapter. You may be asked to discuss the roles and role-play in groups or individually.

Green and Bright

Role: Sales Manager for GreenWay Lighting Company

You are the sales manager for GreenWay Lighting. Your product, LED lighting, can save companies up to 30 percent on their lighting bills starting in the first year after purchase. Target customers are industrial companies, such as manufacturers, that have large facilities. One of your sales reps would like to have a brainstorming session with you, the marketing director, product manager, and several other sales reps before approaching a new prospect, JR Papermills. Before the brainstorming session, you meet with the sales rep to discuss the following:

- What information has the sales rep gathered about JR Papermills, and why is the company a good prospect?
- What information has the sales rep gathered about the person with whom he is meeting at JR Papermills?
- What are the SMART objectives that the sales rep has developed for the first sales call?

Role: GreenWay Lighting Sales Rep

Your company markets and sells energy-efficient LED lighting to businesses and other facilities. You have qualified JR Papermills as a prospect due to the size of the facility (500,000 square feet), number of lights (one million), and plans for expansion (new manufacturing plant planned to be operational by the end of next year). You've done your homework about the company, and you learned that they always like to invest in products that give them a return in the first year after purchase. You want to set up a brainstorming session with several people in the company to help develop ideas you can use when you approach this prospect.

- How will you convince your sales manager that JR Papermills is a promising prospect that is worth taking the time for a brainstorming session?
- If you want to gather more information about the prospect, where would you go to learn

more about the company? Where would you go to learn more about the person with whom you are going to meet?

- How would you use your preapproach research to structure a brainstorming session?

Exercises

PUT YOUR POWER TO WORK: SELLING U ACTIVITIES

1. Join at least three new groups on LinkedIn (you should have already set up your profile). Then, add at least three additional people to your network every week based on discussions that take place in the groups. Participate in discussions and keep in touch with the new people in your network.
2. Use the list of twenty-five target companies you developed in [Chapter 7 “Prospecting and Qualifying: The Power to Identify Your Customers”](#) and do a test mail merge to see how it works.

TEST YOUR POWER KNOWLEDGE ANSWERS

1. *Target account is a new, qualified prospect. Key account is an existing customer that is or has the potential to be a significant source of sales.*
2. *It is an organized way to research and learn about your qualified prospect. It is the information gathered here that helps you plan your approach and presentation and the questions you want to explore.*
3. *B2B selling requires understanding your prospect as well as their customers, which usually include the end user.*
4. *Existing customers.*
5. *Trade journals can give you insights about trends in the industry, your prospect’s company, and even the prospect himself.*
6. *About the company: demographics, financial performance, company news; about the company’s customers: demographics, size of customer base, what customers are saying about the prospect; about the current buying situation: type of purchase, competitors and current provider, current pricing; about the contact person: title and role in the company, professional background, personal information, essential problem your contact needs to solve, prospect’s motivation for buying,*
7. *Online databases (e.g., Hoovers), business directories (e.g., Bizjournals.com), trade journals, company Web site, LinkedIn, blogs, social networks, company employees, complementary and competitive salespeople.*

8. *During brainstorming, it's best not to filter ideas in order to generate as many ideas as possible. Then, the ideas should be prioritized and modified in order to be implemented.*
9. *Know your problem or opportunity; generate, don't evaluate; push beyond the wall; use strategic stimuli.*
10. *I have an idea that will refresh your mind and give you a different environment to work in. Does that sound like something you would be interested in?*
11. *Specific, measurable, actionable (or achievable), realistic, time-bound*
12. *Learn who is the decision maker and who are influencers for the buying decision at this account by the end of the first sales call.*
13. *Prioritize the agenda, personalize the presentation, prepare illustrations, and practice.*
14. *Professional social networking, direct mail, company Web sites, online job boards, follow-up, and getting out there (networking, informational interviews, professional organizations, internships).*

KEY TAKEAWAYS

- The **preapproach** is a critical step that helps you earn your customer's trust and sell adaptively; this is true whether you are meeting with a new customer—a target account—or an existing customer—one of your key accounts.
- Before you make your sales call, you should know the objectives of the meeting. You should record these objectives, along with basic company information, on a **precall planning worksheet**.
- Preapproach research includes information on:
 - company demographics, company news, and financial performance to help you discover sales opportunities and go deeper in your qualifying process.
 - company's customers, the current buying situation, and your contact person at the company to help you tailor your sales approach.
 - existing customers to find opportunities for expanding the relationship and creating moresales.
- Good salespeople don't sell products; they sell solutions to their customers' problems or challenges.
- It's important to know exactly what you want to accomplish when you go into a sales meeting.
- The goals for your sales call should be specific, measurable, actionable, realistic, and time-bound: **SMART**.
- Once you have identified your customers' problems and goals, brainstorm solutions and opportunities that will meet their needs.
- Knowing the best solution for your customer will help you craft a **general benefits statement** and a **specific benefits statement** that will help the customer envision the way your solution or opportunity meets their needs.
- As you plan your sales presentation, keep four things in mind:
 1. **Prioritize** and organize your agenda.
 2. **Personalize** the presentation to match your customer's needs and preferences.
 3. **Prepare** visual aids and product demonstrations to illustrate your point and engage your audience.
 4. **Practice** your delivery.

PART VIII.

THE APPROACH: THE POWER OF CONNECTING

Learning Objectives

1. Describe the role of first impressions and the importance of a strong approach.
2. List how to make contact with your prospect.
3. Describe the different types of sales approaches.
4. Identify how to overcome barriers in getting an appointment.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=156#oembed-1>

8.1 FIRST IMPRESSIONS MAKE ALL THE DIFFERENCE

*When Paul McCartney returned to New York in July 2009 to play a concert at Citi Field, where The Beatles first invaded the American music scene in 1965, the atmosphere was electrifying. He started the concert by saying, “Welcome to the new Citi Field Stadium. It’s been a long time since I’ve been here.... I have a feeling we’re going to have a little bit of fun tonight.”¹ Then he played The Beatles’ classic “Drive My Car,” and the crowd went wild.² Paul McCartney didn’t need to **talk** to the audience. In fact, people didn’t come to hear him speak at all; they came to hear him sing. But Paul McCartney clearly understands the power of a strong approach. His brief welcome, tip to the past, and promise for a great show were all part of his short but effective sales approach. While you might not think of Paul McCartney as a salesperson, his concerts, just like those of other rock stars and recording artists, are actually sales presentations for his new album or song. In all types of selling, the approach precedes the sales presentation. In the case of the concert, you probably already know Paul McCartney and what to expect from him. But when you are meeting someone for the first time in sales, your approach won’t be successful unless you how you make a good first impression.*

FIRST THINGS FIRST

“You only get one chance to make a first impression.” This is a saying you’ve probably heard many times before. First impressions are formed within a mere 7 seconds (first impressions, 2020), are difficult to change, and can have a lasting effect.³ Think of a first date, your first day of high school or college, or any job interview you have gone into. You were probably nervous because you knew the importance of making a good first impression. Similarly, the sales approach is the most intimidating point of the sales process for many salespeople because they know that the decision to buy or not to buy can often start with this initial contact.

THE SIX CS OF THE SALES APPROACH

While prospecting and the preapproach are entirely under your control, the approach is the first part of the sales process where you actually come in contact with your prospect and you’re not quite sure what they will say; this can be a little nerve wracking. Having done your research on your prospect, you will have confidence that you will be able to adapt your sales approach to your individual customer. Keep in mind that you aren’t selling a product during your approach; you are actually introducing yourself and opening up the way for the opportunity to make your sales presentation later. Consider these six Cs during your sales approach: Confidence, credibility, contact, communication, customization, and collaboration.

1. “Paul McCartney’s first concert at City Field,” video, July 22, 2009, <http://www.youtube.com/watch?v=cdHC6OJPSHQ> (accessed July 26, 2009).
2. “Paul McCartney at Citi Field Opening Song ‘Drive My Car,’” video, July 17, 2009, <http://www.macca-central.com/news/?id=3070> (accessed July 26, 2009).
3. BNET Health Care Industry. (2001). *Social Perception*. http://findarticles.com/p/articles/mi_g2699/is_0003/ai_2699000324/?tag=content;col1

1. CONFIDENCE

*If you know your product inside and out, and you've set your objectives and prepared a general benefit statement, you will be well equipped going into your call, so have confidence. Confidence without preparation is a sure recipe for disappointment, so make sure you actually **have** done your homework first. Of course, feeling and appearing confident in a stressful situation is more easily said than done, but there are some simple psychological tricks that can help. For in-person sales approaches, sales coach Jim Meisenheimer suggests giving yourself an affirmation before heading into the meeting. For instance, tell yourself "This will be one of the most positive sales calls I have ever had with a new prospect."⁴ If you believe you will succeed, it is more likely that you **will** succeed. In addition, dressing well for your sales call (discussed in greater detail later in this chapter), will help you feel more confident and professional. For sales calls that happen over the phone, prepare for your call by organizing your workspace first. Clear off your desk and make sure you have everything you will need within easy reach—calendar, note pad and pen, fact sheets, precall planning worksheet, and anything else that might be helpful during the call.⁵*

2. CREDIBILITY

*Building credibility is one of the most important challenges you will face early on in the sales call; you want to convince your customer that you are competent, that you offer valuable solutions, and that you are trustworthy. Open the conversation by introducing yourself and your company; if you are meeting your customer in person, make eye contact and offer a firm handshake. Next, briefly explain the purpose of your call (without making your sales presentation). Your customers are busy people, and will appreciate it if you are direct. While qualifications like a proven track record, satisfied customers, or number of years in sales might help establish your credibility, according to Jeff Thul, CEO of Prime Resource Group, these qualifications are expected, and listing them isn't an effective way to lead off your sales call. Thul says **exceptional** credibility comes when you can demonstrate that you have done your homework. In other words, it's not what you know about your company and your product that will impress your customer; it's what you know about your customer and their situation.⁶*

3. CONTACT

By now you might be wondering how you should approach your prospect. Do you want to make your first contact in person, on the phone, or over e-mail? The way you make contact will depend on the specific selling situation. For instance, maybe you work for a company that specializes in corporate training and personal development services, and your customers include referrals (in which case the prospect is approaching you) as well as prospects you have identified through research (in which case you are contacting them). Even retail selling can include a mixture of both. If you are selling cars or fine jewelry for instance, your customer might come into the showroom or store and ask you for help directly, or they might just start looking around, in which case you would approach them. While there's not one set way to make an approach, the constant is to make every approach personal.

Face-to-face interaction is definitely the most personal approach you can make, but it is also the most difficult.

4. Meisenheimer, J. (2010). *7 Things to Do to Prepare for Your First Sales Call*. EzineArticles. <http://ezinearticles.com/?7-Things-to-Do-to-Prepare-For-Your-First-Sales-Call&id=2409769>

5. Harrison, C. (2001). *Warming Up to Cold Calls*. Expressions of Excellence. <http://www.expressionsofexcellence.com/ARTICLES/warmcoldcalls.htm> (accessed July 30, 2009).

6. Thul, J. (2007, February 6). *How to Establish Sales Credibility: It's Not the Stories You Tell, It's the Questions You Ask*. MarketingProfs. <http://www.marketingprofs.com/7/thull15.asp>

In large B2B sales, since your contacts are decision makers with high levels of responsibility, they are busy people. You wouldn't just show up at their businesses without an appointment. In these cases, it's best to call first and ask your contact if you can schedule a time to meet with them in person.

4. COMMUNICATION

*Whether you approach your prospect in person or over the phone, you want to build good rapport. After all, wouldn't **you** rather do business with someone you like? Your customer will too. "Most decision makers base their purchasing decisions on who they are buying from, not what they are buying," says Ray Silverstein, sales columnist for Entrepreneur online.⁷ Rapport building happens at every step of the sales process, but it begins with your first interaction. For in-person sales approaches, keep in mind the powerful elements of nonverbal communication such as when people communicate face-to-face, only about 20 to 30 percent of that communication is verbal.⁸ This means that it is important to focus not only on what you are communicating but also on **how** you communicate it. You can make an instant positive connection simply by remembering to smile. This is critical: people are naturally wired to smile in response to others' smiles, so by smiling you will put your prospect at ease and help create a positive atmosphere.⁹ And don't forget to bring some business cards with you.*

On the other hand, when you communicate over the phone, you won't be able to use body language to help put your prospect at ease or establish rapport; your voice (including your pitch, tone, enunciation, and word choice) is the only tool you have.¹⁰ You want to have a relaxed voice with a pace that is not too slow or too fast, enough volume, clarity and tone to ensure comfort for your prospect (Prater, 2019). It takes 10-30 seconds for a listener to adjust to your voice to don't make the first part of your message the most important.¹¹ Practice recording your voice so that you can listen to how you sound to other people¹² and then you can ensure you are not too fast, too slow, and have a clear message that is friendly.

5. CUSTOMIZATION

Tailoring your sales approach to the individual customer is one of the keys to relationship selling. Even in retail situations in which the prospect is approaching you first (so you aren't able to research them beforehand), you would approach different customers differently. Think again about selling a gym membership to a prospect who walks into your fitness club. If a parent with two young children comes in, you would probably spend time showing them the child care center, and you would discuss any family centered activities your club offered. If they expressed an interest in aerobics or Pilates, you would show them the class schedule and the fitness rooms where the classes are held. Adaptive selling—especially in situations in which you haven't been able to prepare—involves observation, listening, and asking directed questions to uncover what your prospect needs and cares about. (See Chapter 3 and 7). Ultimately, the trick is to get inside your customer's head. Ask yourself, "What

7. Silverstein, R. (2007, July 25). *How Do I Build Customer Rapport?* Entrepreneur. <https://www.entrepreneur.com/starting-a-business/how-do-i-build-customer-rapport-entrepreneurcom/182144>

8. Mehrabian, A. (2007). *Nonverbal Communication*. Aldine Transaction.

9. James, G. (2009, March 9). *Principles of Building Rapport*. BNET. <http://blogs.bnet.com/salesmachine/?p=1461&tag=content;col1>

10. James, G. (2009, March 9). *Principles of Building Rapport*. BNET. <http://blogs.bnet.com/salesmachine/?p=1461&tag=content;col1>

11. Prater, M. (2019). *A comprehensive guide to talking to prospects on the phone*. Hubspot. <https://blog.hubspot.com/sales/everything-you-need-to-know-about-selling-over-the-phone-in-a-single-infographic>

12. Weiss, W. (2004). *Your Voice Is Your Instrument*. Sales Information. <http://www.sales.net63.net/1134.php>

*would I care about and want to know if I was this person? What would I respond well to?" Putting yourself in your customer's shoes and adapting accordingly will help you earn their trust.*¹³

6. COLLABORATION

You've learned how relationship selling is about partnering. Of course all sales have a bottom line (you ultimately want to close the sale), but your customer has something they want out of the transaction, too. In relationship selling you want to focus on your customer so they get what they want; when you do this, your selling becomes a collaborative process.

13. Brennan, J. (2009, July30). *The Art of Adaptation*. EvanCarmichael.com. <http://www.evancarmichael.com/Sales/395/The-Art-of-Adaptation.html>

8.2 DRESS THE PART

Example

The salesperson was giving a sales presentation to a small group of engineers who were all very casually dressed (no jackets, shirts with open collars and no ties). The salesperson was equally casually dressed. Everything was going well until the company president, whom the salesperson had never met, joined the meeting. He entered the room wearing a business suit and tie. The visual mismatch between the person giving the sales presentation and the person who would be making the buying decision was as obvious as it was striking. The salesperson found himself at a situational disadvantage. What do you think the president's first impression was of the salesperson? Was it, Oh here's a casual-looking, laid-back guy that I'd like to spend several thousand dollars with? Or was it, how serious is this guy? You be the judge.¹

When you meet a customer face-to-face, appearance is an important part of the first impression, so make sure to put careful thought into what you wear to your sales call. A good rule of thumb is to dress a little better than you think your customer will dress. It's hard to go wrong dressing more professionally than you need to, but you can go wrong by dressing too casually. What you wear is as much of a communication as what you say or how you use body language; so make sure to dress appropriately and professionally. At the same time, make sure you know something about your customer and his company culture. If you sell agricultural supplies to farmers, or you sell products to maintenance supervisors or people who wear uniforms, for example, dressing too formally will separate you from your customer. However, these cases are the exceptions rather than the rule. When you are selling to managers within a company, dress will be more formal. Find out about the company culture to learn whether dress is business casual or "coat and tie" and dress up a notch.

1. Jeffery, B. (2012, March 2). *Dress for success*. Salesforce Training. <https://www.salesforcetraining.com/dress-for-success/>

8.3 HOW TO START OFF ON THE RIGHT FOOT

What is the worst pick-up line you've ever heard? How did the person on the receiving end react? Chances are they were not very impressed. During a sales approach there are also certain opening lines to avoid—and others that will be more successful. The following section offers some pointers (and reminders) that will give you the power to start the selling relationship off on the right foot.

DURING EVERY SALES APPROACH

While sales approaches can vary widely depending on the selling situation, there are a few standards that always apply.

ALWAYS GET THE CUSTOMER'S NAME RIGHT

There's nothing more off-putting in a sales approach than a salesperson misspelling or mispronouncing your name. If the salesperson can't be bothered to learn something as basic as your name, it sends the message that they do not care about you as a person, and it certainly gets the relationship off to a bad start. In e-mails, double check that the customer's name isn't misspelled or mistyped. For telephone or in-person approaches make sure you've figured out how to pronounce the prospect's name during your pre-approach research.

ALWAYS LISTEN

Jim Collins, the renowned business consultant passes on a lesson he learned from his mentor, "Don't be interesting; be interested."¹ In other words, don't try to impress your customer by spending a lot of time talking about your qualifications or how wonderful your company or product is; instead, show your prospect that you are genuinely interested in getting to know them and in understanding their needs. The only way you can do this is to listen. The only way to show that you are interested is to actually be interested—pay attention, ask good questions, and ask follow-up questions based on what you just heard.

*Watch the YouTube video *Listening Power* by Brian Tracy.*



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=163#oembed-1>

1. Belludi, N. (2017, May 16). *Don't be interesting-be interested! Right attitudes.* <https://www.rightattitudes.com/2017/05/16/be-interested/>

[Listening 2.0 Social Media Listening Strategy Podcast](#)

If you think social media are all about getting your message out, it's not that simple. The podcast Listening 2.0 – Social Media Listening Strategy provides effective ways to listen before you speak online.

BE READY WITH YOUR ELEVATOR PITCH

Have you ever heard the term “elevator pitch”? It is a concise description of a product or service that should take no longer than an average elevator ride.² Every salesperson has an elevator pitch for the product or service they are selling. That way, they can tell people about their product in under sixty seconds, and it is a perfect way to start a conversation or phone call and helps to make a good first impression. In fact, everyone from a CEO to an entrepreneur has an elevator pitch about their company to tell potential investors, shareholders, and other stakeholders. Most listeners don't have the time to hear all the details about a product or service in the first minutes of a conversation so the elevator pitch provides just enough information so the audience knows what they are talking about and want to know more. An elevator pitch is a great tool to have mastered before any networking session.

APPROACHING BY TELEPHONE

Establishing rapport can be a challenging task when you make your approach by phone because you cannot read your customer's body language or other visual cues, and they cannot read yours. For telephone approaches, it's best to be brief and direct and to save small talk for your in-person meeting

Do Give Your Name and the Purpose of Your Call in the First Twenty³

Your prospect will probably decide whether or not they are interested in what you have to say within the first twenty seconds of the call, so it's best to be direct and get this essential information across early on. Practice and have a script for the phone—sorry, you cannot wing an elevator pitch.

Do Prepare a Script for Your Opening Statement

Because you want to get your prospect's attention in the first twenty seconds, it's important not to stumble over your words or sound like you are rambling. After you have given your name and the purpose of your call, offer a reference point based on your pre-approach research. For example, “I read that your start-up has recently opened a new downtown location.” This will personalize your approach and help establish your credibility. Next, lead into a general benefit statement⁴ that will address your prospect's “what's in it for me?” question.

2. Pincus, A. (2007, June 18). *The Perfect (Elevator) Pitch*. BusinessWeek. http://www.businessweek.com/careers/content/jun2007/ca20070618_134959.htm

3. Ward, S. (n.d.) *Cold Calling Tips. Tips for Successful Cold Calling*. AllBusiness. <http://www.AllBusiness.com/sales/selling-techniques->

4. Morgan, S. (2009, August 2). *This is a Sales Call: How to Begin Prospecting Calls with Integrity*. EzineArticles. <http://ezinearticles.com/?This-is-a-Sales-Call:-How-to-Begin-Prospecting-Calls-with- Integrity&id=34073>

Do Ask “Is This a Good Time?”

Keep in mind that asking for permission helps build trust and allows the customer to feel like they are in control of the call. However, it is important to think about the way you phrase your question. It is always easier for people to say yes to a question than to say no, so when you open with something like “Did I catch you at a bad time?” all your customer has to do is agree with you (“Yes, this is a bad time.”), and the call is effectively over. On the other hand, if you ask whether this is a **good** time, a yes response will work in your favor.⁵ Your customer is only likely to say no if this really is a bad time, and if that happens, you are well positioned to say “I understand. Would Monday at 10:30 be a better time to talk?”⁶

Don’t Start Off by Asking, “How Are You Today?”

This common greeting is one you probably use without thinking twice about it. But opening a sales call this way over the phone (when you are contacting a busy stranger who doesn’t know why you have called) is a false way to build rapport and it is just better to get right to the point in a cold call by phone.⁷ More powerful opening lines would be “thanks for taking my call” or “the reason for my call today” or even “Can you help me?”⁸

Don’t Launch into Prolonged Explanations

As sales coach Sharon Drew Morgan says, “Your prospect is obviously not sitting by the phone waiting for a call from you.” You want to be personable when you call, but you also want to keep in mind that for busy decision makers, phone calls are interruptions, so the more business oriented the interruption, the better.⁹

Watch this YouTube video by QuixtarPR on how to make an effective sales approach on the phone.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=163#oembed-2>

APPROACHING BY E-MAIL

While an e-mail approach is less personal than an in-person or telephone approach, it might be your best method, depending on the type of sale in which you are engaging. For instance, Internet marketing coach Sean Mize says of his business, “I generate 2,000 subscribers via the Internet every single month, so to try to contact all those individuals by phone, unless I have a huge telemarketing room, would be absolutely impossible.”¹⁰ Here are a few things to keep in mind.

5. Petoors, P. (2009, March 10). *How to Contact Your Prospect by Phone*. Pieter’s Blog. <http://pietpetoors.com/blog/how-to-contact-your-prospect-by-phone>
6. McGaulley, M. (2009). *Phone Sales Skills: Your First Contact with the Prospect*. Sales Training Source. http://www.how-to-sell-your-better-mousetrap.com/phone_sales_skills.html
7. JB sales. (2020). *Stop asking me how I’m doing today*. <https://jbarrows.com/blog/stop-asking-how-im-doing/>
8. JB sales. (2020). *Stop asking me how I’m doing today*. <https://jbarrows.com/blog/stop-asking-how-im-doing/>
9. McGaulley, M. (2009). *Phone Sales Skills: Your First Contact with the Prospect*. Sales Training Source. http://www.how-to-sell-your-better-mousetrap.com/phone_sales_skills.html
10. Mize, P. (2009, July 30). *What’s the Most Effective First Contact with a Prospect—Email or Phone?* EzineArticles. <http://ezinearticles.com/?Whats-The-Most-Effective-First-Contact-With-A-Prospect—Email-Or-Phone?&id=1206246>

Do Write a Number of E-mails in Different Styles and Tones

Create a few email templates and then pick and choose when you are sending out or replying to an email but try and make the email as personal as possible.

Do Send a Well-Written E-mail

Keep in mind that an e-mailed sales approach is still a first impression, even though the communication doesn't involve any immediate contact. While the e-mail should be personal, it should be more formal than the personal e-mails you send to friends. You want to sound knowledgeable and credible, which means paying close attention to your word choice and style. Give the e-mail the same attention you would give to a business letter. This also means reading the e-mail several times before sending it to check for spelling and grammar mistakes, just as you would with any other business correspondence.¹¹

Do Follow Up Persistently

Don't get discouraged if you don't get a response to the first or second e-mail you send. In B2B sales, it often takes about twelve e-mails before contacts reply, so be persistent.¹² If your prospect doesn't respond right away, it doesn't mean that they are not interested in what you have to offer—just assume that they may be a busy person with plenty of other distractions that come across their desk every day.

Don't Send E-mails That Look Like Templates

Again, the goal is to make your e-mails as personal as you can. If you have a number of e-mails drafted, select the one that seems most appropriate to the specific prospect(s) you want to target, and include your prospect's name in the heading and body of the e-mail. This will set your message apart from the average, impersonal "junk" e-mail that people get regularly.

APPROACHING THROUGH ONLINE SOCIAL NETWORKS

In some cases you will be able to leverage your online social network to approach a prospect as 84% of consumers will buy from a brand they follow on social media over a competitor.¹³ For instance, if you are a Web site designer and you attend a Webinar on increasing Internet traffic to business's homepages, the other Webinar participants are potential prospects, and you might decide to contact them and ask to be added to their LinkedIn networks.

Do ask to make a connection

Follow the prospect and then send a message introducing yourself and thank them for the connection.¹⁴ The point is that you want to give your approach a personal touch. If you just go out and friend all your prospects without making the effort to engage with them, they might not accept your friend request in the first place. Ask if they are going to a conference or trade show you are going to—ask for a meeting. You can think of the networking

11. Smith, D. (2008, April 28). *How to Contact Business Prospects*. ArticlesBase. <http://www.articlesbase.com/communication-articles/how-to-contact-business-prospects->

12. Smith, D. (2008, April 28). *How to Contact Business Prospects*. ArticlesBase. <http://www.articlesbase.com/communication-articles/how-to-contact-business-prospects->

13. Barnhart, B. (2020, May20). *15 tips to building a better social media presence*. Sprout Social. <https://sproutsocial.com/insights/building-social-media-presence/>

14. Hingley, (2016, February 16) *How to prospect using Twitter, LinkedIn, and Facebook*. Socialmedia Examiner. <https://www.socialmediaexaminer.com/how-to-prospect-using-twitter-linkedin-and-facebook/>

tool as a facilitator, something that gives you the opportunity to connect, but it is still up to you to do the work of socially interacting and leveraging your connections.

Do Aim for Quality over Quantity

There are so many new and interesting social media programs available that it can be tempting to join multiple sites; but if you are a member of more than two or three social networks at one time, you will probably find your efforts spread too thin. To start, focus on the social networks where you know your customers are—most likely LinkedIn, Facebook, Instagram or Twitter.¹⁵

Do Contribute to the Community

In social networking situations, just as in face-to-face interactions, you want to build a good rapport by earning the trust and respect of your customers and colleagues. This means considering ways you can participate in and contribute to the online community, rather than simply using the social networking sites to promote yourself or your product.

Don't Let Your Language Get Sloppy

As with e-mail approaches, pay attention to your language. Prep your social media in a document or spreadsheet and spell check and whatever you do, don't use ALL CAPS.¹⁶ No one wants to be screamed at.

Don't Make a Sales Pitch

Even though a social-network approach looks different from an in-person or over-the-phone approach, the purpose is the same—establishing rapport, building trust, and helping your customer discover needs and opportunities—so avoid making your sales pitch during your initial contact. You want to appear human by answering questions people ask, doing more than just retweeting or liking other people's content.¹⁷ Being human is a big one on social media. If you come off as a faceless with no personality, people will not want to get to know you.¹⁸ Show photos, use humour, and add value to create the much needed connection.

Do help more than you sell

Keep in mind the 80/20 rule. 80 percent of the content you post or share should be entertaining or informative while no more than 20 percent should directly relate to the good or services you provide. Match the content to the network and the prospects' interest.¹⁹

15. Balinas, T. (2020, February 20). *Social media etiquette for business owners: 25 do's and don'ts*. OutboundEngine.

<https://www.outboundengine.com/blog/social-media-etiquette-for-business-25-dos-donts/>

16. Balinas, T. (2020, February 20). *Social media etiquette for business owners: 25 do's and don'ts*. OutboundEngine.

<https://www.outboundengine.com/blog/social-media-etiquette-for-business-25-dos-donts/>

17. Honigan, B. (2020, January 31). *10 simple Twitter tactics what you'll get you more traffic today*. Smartblogger.

<https://smartblogger.com/twitter-traffic/>

18. Barnhart, B. (2020, May20). *15 tips to building a better social media presence*. Sprout Social. <https://sproutsocial.com/insights/building-social-media-presence/>

<https://sproutsocial.com/insights/building-social-media-presence/>

19. Balinas, T. (2020, February 20). *Social media etiquette for business owners: 25 do's and don'ts*. OutboundEngine.

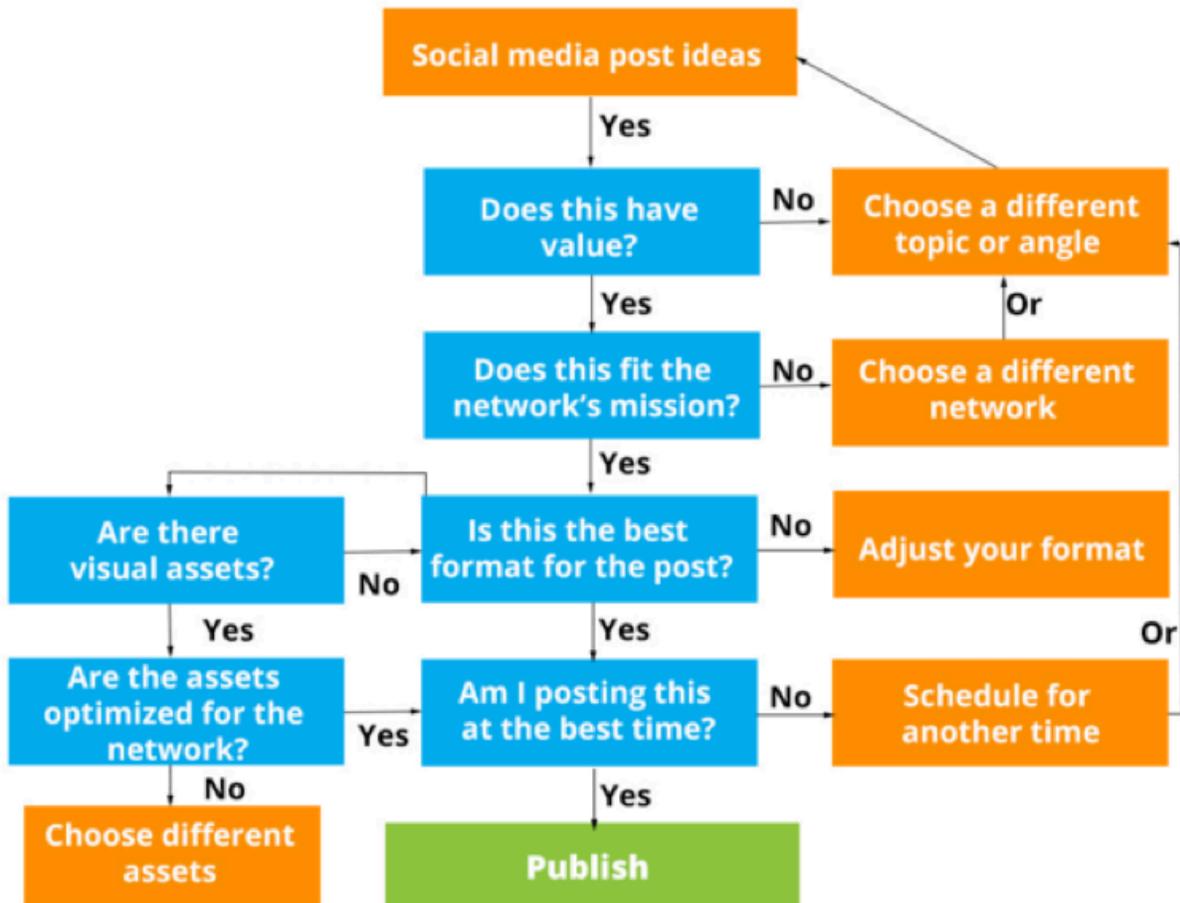
<https://www.outboundengine.com/blog/social-media-etiquette-for-business-25-dos-donts/>

Think before you post

Don't post any inappropriate language, photos, or videos on your personal social networking pages such as Facebook.

It's a good idea to remove any inappropriate information as employers, prospects, and customers can see your personal brand 24/7.

Think Before You Post



Think Before you Post Flowchart. Credit: Hootsuite. (2015, April). Think before you post [blog post]. <https://blog.hootsuite.com/wp-content/uploads/2015/04/think-before-you-post-hootsuite-flowchart.jpg>

8.4 CHOOSING THE BEST APPROACH FOR THE SITUATION

*There's more than one way to start a sales approach. The method you use will depend on the specific selling situation, the specific customer, and on **you**. If you want the approach to feel natural, the best way to do this is to be yourself. The following examples offer some approach options, but of course the specific approach you use will be a reflection of your style and may include a combination of these approaches.*

THE QUESTION APPROACH

When you are making small talk with an acquaintance and you want to show them that you are interested in getting to know them, what do you do? You ask questions, right?

When you ask the right questions in the right way, you can end up getting your prospects to do all the selling for you. At the very least, you'll learn a lot about what the prospect wants from your product, which means you can laser-focus your presentation on just those points that will sell most effectively.¹

Can I ask you about your business or tell me about your business are great opening questions. Here's an example.

You: Hi, my name is James Dotson, and I'm with Infinity Document Reproduction Services. I noticed that your office is currently using the 2004 model of company Techmax copy and fax machines, and I wanted to ask you a few questions about your satisfaction with the machines' performance. Would that be all right?

Customer: We don't really have any problems with our current equipment right now, but we're always looking for something better, so sure.

Notice that the first question simply asks for permission. This is a question you should ask no matter what sales approach you are using. Once you establish permission, you could ask a closed question (one with a yes or no answer) like "Are you happy with your current copy machines?" but then you risk ending the conversation quickly if your prospect says "yes." You could ask an open-ended question like "How well do your copiers work?" but this is broad question, and there's a good chance that you will get a vague answer. Instead, it's better to ask a leading question that demonstrates you know something about the problems your customer might be facing with their current products.

You: On average, how many paper jams would you say you have to deal with each week?

Customer: Paper jams, now there's an area we could definitely use some help with. It seems like we have paper jams quite frequently—about two or three a week.

You: So your copiers are jamming about every other day?

Customer: At least.

You: And how long does it take you to get a machine back on line once it jams?

Customer: It depends on who is at the copy machine. If it's someone like me, I have to call someone to help. But it's usually only a few minutes for someone with experience. Sometimes, if a new employee has

1. Connick, W. (2019, July 19). Questions that make a sale. Careers. <https://www.thebalancecareers.com/questions-that-make-a-sale-2917200>

tried fixing the machine it can take longer, or we have to wait until the end of the day when we're less busy.

You: Paper jams are usually a problem, and they cause downtime, not to mention frustration. That's why Infinity just developed a new model called Jam-Free. It's guaranteed to experience fewer paper jams than any other copies on the market today and it has been designed with simple interiors that allow you to get back online easily do you think this is something that would help your office run more efficiently?

A line of questioning like this builds credibility as you try and work together to solve problems and works well when you have done your research, but what about sales situations where the customer approaches you? In these instances, you won't have specific research to go on but there are some good starter questions for this situation:²

- *What prompted you to meet with me today?*
- *What qualities do you look for in a [product type]?*
- *Which quality is most important to you?*
- *Why would you like to have a [product type]?*
- *What is your timeline for buying a [product type]?*
- *What is your budget?*
- *Who else is involved in the purchasing decision?*

As you begin to ask diagnostic questions, you are building credibility and trust by demonstrating that you are genuinely interested in learning what your customer needs. You want to be seen as a valuable resource helping to build trust.

THE PRODUCT APPROACH

When John Koss of Koss Corp. approaches prospects at the Consumer Electronics Show, he has his product booth, complete with visual displays and over forty headphone models, to catch their attention. Koss takes advantage of the noisy, chaotic showroom floor to showcase his noise cancellation headphones: a large banner over his booth announces, "Welcome to the Quiet Zone," and he invites buyers to sit down, try the headphones on, and experience the instant silence.³ Opening the sales call with a product demonstration can be an effective method of capturing a customer's attention. For instance, a textiles vendor might bring fabric samples to a sales call. After introducing themselves and the purpose of their call, they might hand a sample to the buyer and say, "I think you might like this new fabric. It's especially popular for scarves this season. Can you tell whether or not it's silk?"⁴ The product approach is especially appealing to people who are visual or hands-on learners because it allows them to look and touch.

THE REFERRAL APPROACH

You already know that establishing trust is a critical part of relationship selling. What is one way to instantly earn a new customer's trust? Mention someone your prospect already knows with whom you have an existing customer relationship: trust already exists between you and your referral source and between your referral

2. Connick, W. (2019, July 19). Questions that make a sale. Careers. <https://www.thebalancecareers.com/questions-that-make-a-sale-2917200>

3. Greco, S. (1995, July). Marketing: Selling the Superstores. Inc., <http://www.inc.com/magazine/19950701/2331.html>

4. Weitz, M., Castleberry, A. & Tanner, J. (2003). *Selling: Building Partnerships* (5th ed.) McGraw-Hill.

source and your prospect, so the referral allows you to use that mutual relationship as a bridge to build trust with your prospect. As you build your client list, getting referrals will become easier but be sure to **ask** your referral source before mentioning their name to your prospect. Also, it's always a good idea to thank your customer when they give you a good referral.

THE CUSTOMER BENEFIT APPROACH

If you are in a sales situation where you have carefully researched your prospect and you already have a good sense of their needs before your first meeting, you might open your sales call with a customer benefit approach. The benefit approach goes beyond the general benefit statement to focus on a specific product benefit. This opening is only effective if the benefit you describe is of real interest to your prospect.⁵

You: Mr. Ling, our awnings can cut your energy costs by at least 20 percent. The savings are often even higher for businesses like yours that get a lot of direct sunlight because of a south-facing storefront.

Mr. Ling: Yes, sunlight is a problem for us as it fades the merchandise we display in our front window. Do you have something that can really reduce the impact of the sun on our front windows?

By quickly identifying the benefits of your product, you are letting your customer know what they have to gain from doing business with you. This will not only capture their interest, but it will also establish credibility because it shows that you have taken the trouble to prepare and learn about their specific concerns. Think FAB! (features, advantages and benefits.)

THE SURVEY APPROACH

The survey approach is one that works best in sales that require a complex solution or in sales where the solution is often specifically tailored to customer needs, and the approach ranges in levels of formality depending on the selling situation. For instance, if you go to an upscale spa to have a facial, you might be given a brief, informal survey about your specific skin-care needs before you discuss service packages with the aesthetician. Or if you are in the market for a new home, the real estate agent will most likely ask you questions about your preferences and lifestyle before they even begins to show you listings: "How many bedrooms are you looking for?" "Which neighborhood do you want to live in?" "Is outdoor space important to you?" "How many cars do you have?"

On the other hand, in B2B situations or in otherwise more complex B2C sales, the survey process might be more formalized. If you want to purchase an insurance plan, the agent may guide you through a detailed, computer-based survey to find out about your medical or driving history, your family members, your vehicles, or other details that are very specific to you as an individual customer. In another B2B situation (e.g., your firm needs to purchase an integrated software suite with diverse capabilities like timekeeping, payroll, and benefits), the salesperson might give you a detailed questionnaire that will identify your specific needs and ask you to complete it before scheduling a sales presentation.

The survey approach has the advantage of being a nonthreatening way to establish your initial contact with the prospect, as you are only asking for information and not discussing services or costs. It allows you to gather information and create a sales presentation that will address the customer's specific needs and be prepared with the appropriate information or ask other people in the company to attend the sales call. In addition, the survey helps your customer feel like they are receiving special treatment because you are using the information you gather to tailor-make a solution that matches their needs.⁶

5. Weitz, M., Castleberry, A. & Tanner, J. (2003). *Selling: Building Partnerships* (5th ed.) McGraw-Hill.

6. Manning, G. & Reece, B. (2004). *Selling Today: Creating Customer Value* (9th ed.) Prentice Hall.

THE AGENDA APPROACH

You already know the goals of your sales call and the points you will address before going into a meeting, so why not share this information with your customer? The agenda approach, in which you lead off the sales call by giving your customer an overview of your meeting agenda, is particularly appealing to busy executives because it gets straight down to business and lets your customer know you won't be wasting their time. Here is an example of something you might say:

You: I usually cover three things in my first meeting with a customer. First, I like to find out about the specific event you are planning and what you are looking for in a catering service, next I bring out several products for customers to sample, and finally, if you decide you are interested in our services, I schedule a follow-up meeting where we will go over your customized menu and discuss the service contract. This first meeting should only take fifteen minutes of your time.

Customer: Great. Let's get started.

The agenda approach outlines your meeting objectives and lets the customer know how long the meeting will last. If you know your customer is someone who likes to get right down to business, leading off with an agenda approach is often a good idea.

THE PREMIUM APPROACH

***Free** is always appealing. The premium approach, in which you offer your prospects free product samples or other giveaway items, helps build enthusiasm about your brand or products, attracting customers who might not otherwise express interest. Once you've gotten your prospect's attention with the giveaway, they will be more inclined to listen to a sales presentation or at least give you a moment of their time. The premium approach is common in retail situations such as cosmetics, wine retail, or specialty food stores where sampling a product can often influence a customer's decision to buy. In other cases, like trade shows, sales representatives might give out inexpensive promotional items or samples as a way to initiate contact with prospects.*

For instance, if you were working at a booksellers' convention, your publishing house might be giving away bookmarks or even free copies of a new best-selling novel. You could use the premium as a way to talk to someone who comes to your booth using the following approach:

You: Our house publishes some of the best-selling mystery authors on the market. You might be interested in taking this copy of the number one best seller, *One Moment in Time* by Jacque Rolique.

Customer: I would really like a copy of the book. I've been meaning to read it. Thank you.

You: I'm Sasha Conti from New World Publishing. What's your name?

Customer: My name is Ramsey Jackson from Books and Nooks. We have fifty-five stores in the Northeast along with an e-commerce Web site.

You: It's a pleasure to meet you, Ramsey. Thank you for stopping by our booth. I'm familiar with Books and Nooks, and it's a really special store. Would you also like to see a booklist featuring our newest releases? We have so many new titles that haven't even hit the shelves yet. With this list, you can see what's new and bring the hottest titles to your customers sooner. What kinds of titles are important to your customers?

THE COMBINATION APPROACH

Effective relationship selling is adaptive. Even if you prepare a script beforehand, you won't follow it word for word; instead, you will modify it based on the feedback you get from the customer during your interaction. Real-world, adaptive selling rarely fits neatly into textbook models. Often, an experienced salesperson will shift fluidly

from one type of sales approach to another. For instance, they might start off by offering a product demonstration and mentioning a customer benefit almost simultaneously:

Salesperson: Here. Try lifting this ultralight graphite bicycle frame. How much would you guess it weighs?

Customer: Wow! That's amazing. Really light. I'd guess it only weighs about four pounds?

Salesperson: Close. It's actually even less than that: only 2.9 pounds. Technocycle specializes in engineering cutting-edge bicycle components like that frame you're holding. Our products fit the needs of the serious cyclists like your customers because using Technocycles's components ensures that you will always be offering the best, most competitive technology on the market.

So what approach should you use in your selling situation? Plan one that best showcases your company or product, that fits your style, and that matches what you know about your prospect. But when you make that first contact with the prospect, let flexibility be your guide.

8.5 SUCCESSFUL APPOINTMENT MAKING

When Milton Hershey first opened his candy store in Philadelphia, he had to shut down after six years because he never made enough sales to get the business off the ground. After closing in Philadelphia, he moved to Chicago, then to New Orleans, then to New York, each time failing and starting over again. In fact, it took ten years of rejection and failure before Hershey's business succeeded. You already know how the story ended for Hershey (now a \$5 billion company), but now you also know that the Hershey Chocolate Company wasn't an overnight success; the business only took off thanks to one salesman's persistence in the face of failure.¹

REJECTION (FEAR OF FAILURE)

*Rejection is a reality that all sales professionals have to deal with occasionally, no matter how experienced or skilled they are; it comes with the territory. Prospects will sometimes hang up on you or refuse to see you, and others will listen to your sales approach and then tell you that they aren't interested in what you have to offer. However, if you approach your sales call with confidence and refuse to take rejection personally, then the possibility of rejection doesn't have to be a barrier to your success. Recognize that it is the **fear** of failure, more than anything else that creates a barrier between a salesperson and a successful sale. The best approach is to practice² so that you build your confidence which leads to a mindset for success.³*

Successful selling is all about mastering your attitude, and this is especially true when it comes to facing rejection. There are many reasons that a prospect may reject your offer—very rarely is it personal. The product may not be a good fit, they may not be ready to make a deal (no budget or commitment from the decision makers), or they like their current product or service.⁴ To overcome the fear of rejection, you can practice to increase your confidence and your ability to communicate (role play with other reps, do ride alongs, ask your manager for help), keep your office space very organized so that you can focus on the actual sales process, follow Nike's slogan and "just do it" –procrastination is a huge barrier in sales. Make sure you break your big tasks up into smaller chunks, call on prospects when you have the most energy, and make use of good time management.⁵

GETTING PAST THE GATEKEEPERS

So what do you do if you've prepared your opening statement and done your research, but when you make your phone call, it isn't your prospect who picks up the phone; instead, it's their assistant, who wants to know who you are, why you are calling, and why you think your prospect should want to talk to you anyway? This is a likely scenario in B2B sales when your prospects are busy executives who don't have the time to handle every

1. Carmichael, E. (2009). *His Secret Recipe: How Hershey Achieved Success*. EvanCarmichael.com.

<https://believe.evancarmichael.com/homepage>

2. Roque, C. (2017, march 28). *How to overcome your fear of sales and rejection*. <https://business.tutsplus.com/tutorials/how-to-overcome-your-fear-of-sales-and-rejection-cms-28466>

3. Girard, L. (2011, November 14). *How to conquer your sales fears*. Entrepreneur. <https://www.entrepreneur.com/article/220691>

4. Brudner, E. (2016, December 7). *Reasons your prospect says no*. Hubspot. <https://blog.hubspot.com/sales/reasons-your-prospects-say-no>

5. Sob, A. (2019). *Procrastination will kill sales*. SmartCalling. <http://smartcalling.com/procrastination-will-kill-sales/>

call that comes through their office. If you want to see your prospect, you may have to go through the gatekeeper first. Their title might be secretary, assistant, administrative assistant, or executive assistant⁶ but their role will be the same: keeping unwanted distractions from interrupting their boss's busy schedule. Salespeople often think of gatekeepers as road blocks—something standing in the way of getting to see the prospect but “it amazes me how often reps will bypass the one person in the organization that is paid to talk to everyone – and not only that, they have a list of the names of all the key players, their titles, direct numbers, and email addresses” (Stanfill, n.d. para 12). Gatekeepers are human beings (not obstacles) whose jobs are important to the successful running of their organizations. Think of them as part of the selling relationship and treat them with the courtesy and respect with which you would treat your prospect.

Put yourself in the gatekeeper's shoes for a minute. You have been answering the phone all day, responding to people who don't often treat you with much respect, and you get another call:

Salesperson: Hello, this is Camille Martin. Is Maria Gonzalez in her office right now?

Assistant: Yes, she's here, but she's busy at the moment. Can I ask what you're calling about?

Salesperson: I'd like to schedule a meeting to see her. When would be a good time to call back?

Assistant: I'm sorry, but Ms. Gonzalez doesn't take unsolicited calls.

Notice that the caller didn't give the name of their organization or the purpose of their call, even when the gatekeeper asked for more information. The salesperson was abrupt with the gatekeeper, so the gatekeeper was abrupt in return. Remember that it's the gatekeeper's job to find out whether your call is worth their boss's time, so if you tell them the purpose of your call, you are helping them to see that your call may be valuable. Learn the gatekeeper's name and be friendly. Business writer Susan Ward suggests starting off the conversation by asking “I wonder if you could help me?” as a way to show respect and demonstrate that you see the gatekeeper as part of your selling relationship.⁷ If you do this, you won't **need** to get past the gatekeeper; they can often tell you everything you need to know—the name of the right person to talk to or the best time to contact your prospect—or even schedule a meeting for you before you ever interact with your prospect. Finally, when the gatekeeper does give you helpful information, remember to thank them. For extra helpful gatekeepers, you might even consider sending a note or small thank-you gift. Now, review the approach shown above using a referral as a way to work with the gatekeeper as an ally, rather than view them as a barrier:

You: Good morning. My name is Camille Martin and I'm calling from Preston and Preston; we're a full-service digital photography studio here in Cleveland. I'm following up on a conversation that Jason Kendrick, our company's CEO had with Maria Gonzalez. I understand she is looking for a partner in the digital photography area. May I speak with her?

Assistant: Let me check and see if she is available. Can you give me your name and company again?

You: Thank you. I appreciate your help. I'm Camille Martin from Preston and Preston What's your name?

6. Richardson, L. (2005, April 19). *Dealing with Gatekeepers*. Sales Coach Blog. AllBusiness. <http://www.AllBusiness.com/sales/selling-techniques/3873127-1.html>

7. Ward, S. *Cold Calling Tips*. Tips for Successful Cold Calling (n.d). AllBusiness. <http://www.AllBusiness.com/sales/selling-techniques->

8.6 REVIEW AND PRACTICE

POWER WRAP-UP

Now that you have read this chapter, you should be able to understand how to approach a prospect.

- You **understand** the importance of your first impression.
- You **learned** the elements of making contact.
- You can **describe** the role of an elevator pitch in the approach.
- You can **list** the dos and don'ts of making contact via phone and in person.
- You can **describe** the different types of sales approaches.
- You can **understand** how to create an elevator pitch for your personal brand to use during your approach for networking, interviews, and other contacts.

Exercises

Test Your Power Knowledge (answers are below)

1. Name the six Cs of the sales approach.
2. Identify one way of demonstrating active listening.
3. What is the 70/30 rule of listening?
4. What is an elevator pitch, and why is it important in a sales approach?
5. Why should you prepare a script for your opening statement for a telephone approach?
6. Describe an effective e-mail approach.
7. Why are social networks an effective way to approach prospects?
8. List two opening lines you should avoid in a sales approach.
9. Describe the customer benefit approach.
10. What is a gatekeeper?
11. What kind of information should be included in the elevator pitch for your personal brand?

POWER (ROLE) PLAY

Now it's time to put what you've learned into practice. The following are two roles that are involved in the same selling situation—one role is the customer, and the other is the salesperson. This will give you the opportunity to think about this selling situation from the point of view of both the customer and the salesperson.

Read each role carefully along with the discussion questions. Then, be prepared to play either of the roles in class using the concepts covered in this chapter. You may be asked to discuss the roles and do a role-play in groups or individually.

A Good Sport

Role: Operations manager, Trident Office Equipment

You are responsible for all the operations for a major office equipment distributor. Trident counts hundreds of businesses among its B2B customers. As part of building relationships with customers, the company entertains its B2B customers by taking them to professional sporting events, dinner, and other activities. The company is currently a season ticket holder for the local professional football team. However, given the state of the economy, you are reconsidering the company's investment in season tickets. Your time is valuable to you, so you don't want to take the time to meet with a sales rep from each of the teams.

- What will you say when a sales rep from one of the sports teams approaches you?
- What type of approach will you find compelling enough to take the time to meet with a sales rep?

Role: Sales rep for the stadium that hosts the city's minor league baseball team

You have qualified your prospect as someone who is responsible for the decisions for purchases of season tickets to entertain customers. While he has traditionally purchased season tickets for the local professional football team, you believe that you can approach him with an opportunity to save money and have an excellent opportunity to entertain clients and support the local baseball team. The baseball season is longer and offers more opportunities for Trident to entertain its customers, and the cost per game is less for your baseball tickets than what Trident has been paying for football tickets, although the total cost for season tickets is greater. You are preparing your approach to make an appointment on the phone.

- What will you say to approach this prospect?
- What type of approach will you use?
- What is your elevator pitch for the season tickets?

PUT YOUR POWER TO WORK: SELLING U ACTIVITIES

1. Ask your professor or another professional to share his elevator pitch with you. Deliver your elevator pitch to him and ask him to critique it.
2. Visit your career center and ask one of the counselors to provide feedback to you on your elevator pitch.

3. *Use your elevator pitch in a professional situation such as your internship, class, or interview. What elements do you think work in your elevator pitch? What elements are not as effective? What modifications will you make as a result?*

TEST YOUR POWER KNOWLEDGE ANSWERS

1. *Confidence, credibility, contact, communication, customization, and collaboration.*
2. *Eye contact, lean forward, take notes, and repeat key points to check for understanding.*
3. *You should be listening 70 percent of the time and asking questions 30 percent of the time to engage the prospect.*
4. *An elevator pitch is a concise description of a product, service, project, or person that should take no longer than the average elevator ride. It's an important part of the sales approach because it is a good way to give your prospect an overview and get conversation started.*
5. *You need to get your prospect's attention in the first twenty seconds; you don't want to stumble over your words or sound like you're rambling. A script is a good way to stay focused and communicate effectively.*
6. *Personalized e-mails that address a prospect's needs can be very effective. An e-mail should be well written and interesting to read and include proper spelling and grammar.*
7. *You can network, get referrals, and add value to the conversation on social networks.*
8. *"Would you be interested in saving money?"; "You're probably a busy person, so I promise I'm not about to waste your time"; "I just happened to be in the area visiting another customer so I thought I'd drop by"; and "I've heard that you've been having trouble in your customer service department."*
9. *Opening the sales call by directing your prospect's attention to a specific benefit of your products or services.*
10. *The secretary or assistant whose job it is to screen calls or "guard" the entrance to an executive's office. It's the person you have to do through first before seeing your prospect.*
11. *Who are you, what experience and skills do you have, what makes you unique, what problem can you help your prospective employer solve, and what are you looking for?*

KEY TAKEAWAYS

- *When making a sales approach over the phone*
 - *Do give your name and the purpose of your call in the first twenty seconds;*
 - *Do remember to ask, “Is this a good time?”*
 - *Don’t launch into long explanations. Keep it brief and businesslike.*
- *When making a sales approach by e-mail*
 - *Do draft a number of e-mail templates from which to choose,*
 - *Do make sure the e-mail is well written and businesslike,*
 - *Do make the e-mail as personal as you can.*
- *When approaching through online social networks*
 - *Do make sure to comment when you add a prospect to your network,*
 - *Do contribute to the social network of which you are a member,*
 - *Do avoid slang in your communications.*
- *When approaching a B2B contact in person*
 - *Do use a strong opening line that gets the customer’s attention,*
 - *Do follow the customer’s lead when it comes to small talk,*
 - *Do be careful that your opening line doesn’t send the wrong message.*
- *When approaching a B2C contact in person*
 - *Do make conversation with your customer;*
 - *Do avoid putting any pressure on your customer.*
- *Types of approaches include:*
 - *The **question approach** involves leading off with questions to learn about your prospect and engage him in dialogue.*
 - *In a **product approach**, the salesperson opens the call with a product demonstration or display.*
 - *The **referral approach** is an effective way to quickly establish trust with a prospect because it involves starting the call off by mentioning a mutual connection who has referred you to the prospect and who is willing to vouch for you.*
 - *The **customer benefit approach** requires research beforehand so that you can open your call by mentioning an important, customer-specific benefit of your products or services.*
 - *Sales that involve very specific solutions to customer problems sometimes begin with a **survey***

approach.

- The ***agenda approach*** is a straightforward approach that gets right down to business. It appeals to highly organized people because it involves outlining the meeting agenda at the start of the sales call.
- A ***premium approach*** is one in which the salesperson offers product samples or giveaway items to attract a prospect and establish goodwill.

PART IX.

THE PRESENTATION

Learning Objectives

1. Explain how to prepare for a sales presentation.
2. Discuss how to dress for success for a sales presentation.
3. Outline the various presentation tools.
4. Identify how to use the SPIN technique.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=175#oembed-1>

9.1 PREPARING FOR A SALES PRESENTATION

You've made it! After all your hard work you have reached the point in the selling process where the qualifying, researching, and planning stages pay off. Finally, your story and the customer's story are about to connect in an exciting way. Most salespeople think of the presentation as the best part of the selling process. It is the opportunity to show the prospect that you know your stuff—and the chance to deliver value by putting your problem solving skills to work. So get ready, visualize the best possible outcome to your sales presentation, and take the necessary steps to make this outcome a reality. Here are some tips to think about when getting your presentation prepared:

KEEP YOUR EYE ON THE PRIZE

As excited as you might be about your product, or as eager as you are to demonstrate your solution, keep in mind that your sales presentation is primarily about building a relationship and beginning a partnership, especially in the business-to-business (B2B) arena. Some research indicates that it can take up to eight meetings to make a sale so breathe, and prepare.¹ Think about what your goal is and what your prospect might want out of the meeting. Review your precall objectives and it can be a good idea to visualize the outcome before going into the meeting. This is not just about calming your nerves; visualizing the outcome you want is actually a powerful tool to help you achieve that outcome. For one thing, it is another form of planning. Each step of the presentation will come naturally to you because you have already mentally rehearsed, and you will be better positioned to sell adaptively because you have already imagined a number of possible scenarios and customer responses.

THE POWER TO ADAPT

The sales presentation is where adaptive selling makes all the difference. Up until this point, you have researched and prepared and developed a solution that you think will meet your prospect's needs, but walking into the presentation and delivering on that preparation requires a different set of skills. Among other things, it requires flexibility and the ability to think on your feet. The best salespeople adapt their presentations to their prospect's reactions, and they go in knowing they may have to adapt to surprises for which they were unable to prepare (maybe the building has a power outage during the presentation, for instance, or maybe one of the people from the customer organization decides to send another employee in their place at the last minute). These top-performing salespeople know that keeping a customer-centric focus, visualizing a successful outcome, and mentally rehearsing your presentation before you deliver it will give you the power to adapt with confidence and ease.

LOGISTICS MATTER

There's nothing worse than putting hours into preparing a killer sales presentation, only to blow your chances because you forgot to bring an important part of your demonstration or because you got lost on your way to the meeting. Don't let disorganization hold you back: take charge of the details so that your only concern on the day of the presentation is the delivery. The night before, you should also get together all the materials you'll need for

1. Schutz, M. (2020). How many touches does it take to make a sale? Rainsalestraining. <https://www.rainsalestraining.com/blog/how-many-touches-does-it-take-to-make-a-sale>

your presentation—handouts, files, product samples, and contracts—and have them ready to go for the following morning. This will save you time tracking down loose supplies at the last minute, when you’re trying to get out the door to make it to your meeting. If you are planning to use multimedia equipment in your presentation, make sure in advance that your prospect will have everything you’ll need to make it run. If you aren’t sure, bring everything (e.g., cables, adapters, remotes) with you. And of course, make sure you know how to use all your equipment.

GETTING THERE

It might surprise you to know how often salespeople show up late to their own presentations because they get lost on the way to the meeting. When you are traveling to an unfamiliar place for your appointment, get directions in advance, and allow extra travel time in case of traffic delays or wrong turns. Make sure you also research the parking situation beforehand. If your prospect is a large corporation with its own complex, are there reserved employee lots and visitor lots? Will you have to walk a considerable distance from your car to the meeting room? If you’ll be meeting in an urban area, is street parking available, or will you have to find a parking garage? You don’t want to arrive on time only to get delayed because you spent twenty minutes driving around in search of a parking spot. If something unavoidable does come up to set you back, make sure you call ahead to let your customer know you will be arriving late.

CHECKLIST

When you are starting in sales, it can be helpful to have a checklist to go over before each presentation. See Figure 10.1 for an example:

CHECKLIST FOR PRESENTATIONS.

- 1. Assemble supplies such as documents, brochures, samples, contracts, thumb drives, website url, laptop, cables, client information etc.*
- 2. Copies if you are handing out handouts*
- 3. What are you wearing? Check that your clothes fit the environment of the prospect (see Chapter 7)*
- 4. Logistics—do you know where you are going and how to get there, where to park, how to get into the building?*
- 5. Do you have all the contact information needed?*
- 6. Rehearse/ practice*
- 7. Review your call objectives and visualize success.*

9.2 DRESS FOR SUCCESS

Your appearance communicates volumes about you before you ever open your mouth. Do you want to be taken seriously? Yes, of course. Think about it this way, when you are buying a product off the shelf in a store, isn't packaging the first thing that catches your attention? Marketers know that packaging can influence a consumer's decision to buy before they buy and the way a salesperson presents themselves to build trust and credibility is equally important. "If you're going to err to one end of the scale or the other, err on the part of overdressing, but obviously not to an extreme. You don't wear a suit and tie or a dress and high heels if you are going into an industrial environment. On the other hand, don't wear cargo pants and a polo shirt if you're calling on senior management. You must dress appropriately."¹ Your appearance should convey professionalism, competence, and success.

CASUAL, BUSINESS CASUAL OR BUSINESS?

When you are making a sales presentation at a company, remember to dress one step above what you would wear if you worked at the organization. If you are ever unsure about a company's standard dress code, always dress up. It's easier to take off a jacket and tie than to put them on at the last minute. However, if your prospect tells you the dress code beforehand, here are some general guidelines to follow.²³

Casual: T-shirts, sweaters, jeans, shorts, pants, sneakers, sandals.

Smart Casual: A little more trendy than casual, heels, scarves, boots, sports jackets and ties.

Business Casual: Women-pencil skirts, blouses, sweaters, jewelry, heels, boots. Men-trousers, polos, sport coats, optional ties, leather loafers.

Business: Far more traditional. Think accounting, banking, and government or law offices. Tailored suits, professional shoes (no loafers) and neutral colours.

Business formal: For award ceremonies and formal settings.

Gender neutral: Gender neutral elements include pants, sweaters, button downs and plain shoes. Pantsuits in the more formal settings.

DETAILS MATTER⁴

Getting the clothes right but missing the mark on the details will create a poor impression just as much as underdressing for the occasion can, so make sure everything from your nails to your hair and choice of accessories conveys professionalism.

- *All clothes should be cleaned and pressed. Wrinkled or stained clothing looks very unprofessional.*

1. Jeffery, B. (2012, March 2). *Dress for success*. Salesforcetraining. <https://www.salesforcetraining.com/dress-for-success/>

2. Keiling, H. (2023, February 13). *Guide to business attire*. Indeed. <https://www.indeed.com/career-advice/starting-new-job/guide-to-business-attire>

3. Groover, H. (2021). 5 Tips For Dressing In The Workplace. Grey Journal. <https://greyjournal.net/play/style/5-tips-for-dressing-in-the-workplace/>

4. Jeffery, B. (2012, March 2). *Dress for success*. Salesforcetraining. <https://www.salesforcetraining.com/dress-for-success/>

- *Look through the About Us page and social media profiles for clues about the prospects culture to help you determine the dress code for your presentation.*
- *Avoid busy accessories (too high of heels) and busy language (profanity for instance). Men should avoid sports watches, and women should wear conservative jewelry—nothing flashy.*
- *Absolutely avoid wearing perfume or body spray⁵ and don't forget good grooming. Body odor, bad breath, poorly manicured fingernails, and messy hair can be a deal breaker.*

5. Ellery, J. (2016, May 31). *Should you wear perfume or cologne for a job interview*. LinkedIn. <https://www.linkedin.com/pulse/should-you-wear-perfume-cologne-job-interview-john-ellery>

9.3 PRESENTATION DETAILS

When deciding on the structure of your presentation, there are a number of things to consider. Will you present to a group or to an individual? Where will you be giving your presentation? What tools will you use? Sometimes these options are under your control, but often in business-to-business (B2B) sales, you will have to adapt your presentation to your prospect's needs. In either situation, you can maximize your presentation if you know what to avoid, what to prepare for, and how to make your solution come to life with the tools you have.

If you know your prospect is highly competitive, for instance, they will probably be interested in learning about the features that set your product apart from others on the market and the ways in which your product can give them and their company a competitive edge. If you're working with an existing customer or if you've interacted with your prospect prior to the presentation, you can use your observations to write a trait description. If you haven't met the prospect before, try asking other salespeople in your organization, noncompetitive salespeople at other companies, or other contacts you have who might have met your prospect and who can tell you something about their personality.¹ Also, use the company resources including the CRM system to gather as much information as possible about the company and your contact especially if you can determine the social style of the prospect.

PRESENTING TO INDIVIDUALS

In one-on-one presentations, of course, you only have one person's needs, preferences, and background to research and adapt to, so customization is usually an easy task. You can closely observe your prospect's nonverbal communication and listen to their stated needs and concerns and respond accordingly. Do they look worried when you tell them that your company's integrated marketing plan usually takes four months to develop? You can explain that for preferred prospects you are sometimes able to turn around a faster solution. Do they seem distracted when you begin discussing product features? You can back off and begin asking more questions.

PRESENTING TO GROUPS

If customization is that straightforward with an individual buyer, why would you ever choose to sell to a group? Besides the fact that sometimes the nature of the sale demands it, selling to groups is also more efficient than selling to individuals. If you're selling accounting software to a number of departments in an organization, rather than meeting individually with a decision maker from each department, you can save time by giving your sales presentation to a number of decision makers at once. Group presentations can also help you identify the decision makers in an organization if you aren't yet sure who they are. By keeping an eye on group dynamics during the presentation you can usually observe the "pecking order" among members and identify the individuals in the group whose opinions hold the most leverage. Additionally, group presentations can be a way to win your

1. Grikscheit, G., Cash, H., Young, C. (1993). *The handbook of selling: Psychological, managerial, and marketing dynamics* (2nd ed.) Wiley-Blackwell.

*sale. With one buyer, if they have a negative view of your product or service, it is hard to sell to but in a group, you can leverage any allies to help sway any members who are unsure.*²

If you know what is at stake for each member of the group, you will be able to facilitate the discussion during your presentation much more effectively. This is why it's important to gather information about everyone who will attend your sales meeting. Google any names of group members before going into a group meeting. Find out the individual's needs within the organization (For instance, an accountant in the organization might feel threatened by new accounting software if it replaces part of her current role.) This will help you understand the most important concerns you will need to address in the presentation, and if certain parts of your presentation apply more directly to certain members of the group, you can direct those parts specifically at those individuals. Keep in mind that people act differently in group settings than they do when you are interacting Webinars and Video Conferences So maybe you do not have the budget to travel and meet prospects face to face or your prospect is not available to meet in person (or there is a pandemic), you can still meet with your prospect through video or webinars.

*“Virtual events still sound a little futuristic, but they’ve been happening since 1993 when the world’s first livestream brought us nail-biting webcam footage of a coffee maker in mid drip. The streaming pot brewed up millions of views.”*³

Much has changed since 1993. There are multiple video platforms that are free and easy to use—Zoom, MS teams, Whereby, Skype, Messenger—are a few examples.

Creating a virtual sales meeting is not much different from a face to face meeting. Once you have picked your online platform such as Skype or MS teams, make sure you are very familiar with the software. Send the link to your prospect (individual meeting) or group members (for a group presentation) at least a day ahead of the set meeting time. Be cautious of just showing slides in your virtual meeting—remember you are still trying to connect with your prospect(s) building rapport, trust and credibility.

*“But if all you do is share your screen and hide behind a little 2” x 2” video streaming box, you’re missing a huge opportunity in the relationship building power of good video calls. If you need to show something, a visual aid, a photograph, a PowerPoint slide, anything really, then do it... but as soon as you’re done talking about it or everyone has had ample time to digest it, unshare your screen and return the call to a full video conference”.*⁴

*Make sure your prospect has their video on so you can connect visually, make sure the light is good, the sound quality on your end is good (get a microphone headset), align your background to be professional (no unmade beds in the background please), and stick to your time appointment (don't go over the time you have booked). With so many in group presentations. Instead, adjust your presentation to the dynamics in the room. Create interactive presentations and bring 150% of your energy and your enthusiasm—bring you're A game!*⁵

2. McConnachie, C. (2017, February 21). *Tips for selling to a group*. SalesForce Search. <https://www.salesforcerearch.com/blog/httpwww-salesforcerearch-combid1551645-tips-for-selling-to-a-group/>

3. Sehl, C. (2020, March 12). *How to host a successful virtual event: 10 tips* [blog post]. Hootsuite. <https://blog.hootsuite.com/virtual-events/>

4. Martin, T. (2020, April 4). *11 tips for hosting better zoom sales calls & meeting*. Business2community. <https://www.business2community.com/sales-management/11-tips-for-hosting-better-zoom-sales-calls-meetings-02299703>

5. McConnachie, C. (2017, February 21). *Tips for selling to a group*. Salesforce. <https://www.salesforcerearch.com/blog/httpwww-salesforcerearch-combid1551645-tips-for-selling-to-a-group/>

THE RIGHT TOOLS

In the best sales presentations, the product or service comes alive. Try to see the presentation through your prospect's eyes. What is the best way to capture their imagination? How will you tell the story that will make your product or service compelling? In what ways can you delight or surprise your customer? The right tools include: Powerpoint (slides), brochures or leave behinds, samples and demonstrations, and cost-benefit analysis.

POWERPOINT PRESENTATIONS

PowerPoint slides provide an easy way to organize your presentation and add helpful visuals. For many salespeople, PowerPoint is one of their go-to presentation tools. It can be an especially helpful tool for salespeople who are starting out and want the security of a clear framework from which to present. An added benefit is that it doesn't take much technological know-how to put together a clean-looking PowerPoint demonstration. On the other hand, not all presentation situations lend themselves to PowerPoint (e.g., conference rooms with no wall space on which to project or presentations given in the field), so if you plan to use this tool, make sure that you will be presenting in a space where you can make it work. Additionally, be aware of—and avoid—a number of common mistakes salespeople make when using PowerPoint that can ruin a presentation. Keep it simple, avoid too many bullet points, use high quality graphics, and limit transitions, and use colour and video.

BROCHURES, PREMIUMS, AND LEAVE-BEHINDS

It is usually expected that you will have printed material to give your audience during a presentation. You might decide to bring along brochures with information about your company, products, and services or provide a link to the information or a flashdrive if the information is extensive (more in a B2B environment). What are the benefits of brochures? Well, a brochure reminds the buyer of the product or service and is considered a contact point in the buying journey (5 reasons by brochures are still important to selling, 2020). Brochures are also easy to distribute, are cost effective, build trust, and allow you to personalize your business.⁶ Almost all salespeople bring some sort of brochure or premium leave-behind on their sales calls.

SAMPLES AND DEMONSTRATIONS

There is almost no better way to make your story come to life for your customer than letting them experience it for themselves. During the presentation, you can bring your story to life by offering product samples for your prospects to try or by running demonstrations that let them see for themselves what your product can do. When winemakers sell their products to large distributors, they don't just bring in descriptions of their wines for the buyers to read; they offer tastings so buyers can experience the product. When caterers want to sell their services to someone who is planning a wedding, they bring in samples from their menus, so the customer can say, "Wow this pasta really is delicious!" Or think of Keith Waldon of Earth Preserve who didn't just tell JC Penney, "We can make displays of our environmentally friendly products for your store windows;" instead, they set up a real

Besides bringing your story to life, there are a number of other good reasons to use demonstrations:

- To educate your prospect. If you are selling a complex product, such as a highly involved software program, the best way to help your customer understand how it works is to show them.*
- To involve your prospect. Let them find the results for themselves. Just as car shoppers get to take the*

6. Hartwig, S. (2016, February 5). 6 benefits of using brochures [blog post]. Flottman Company. <https://www.flottmanco.com/6-benefits-of-using-brochures/>

wheel in a test drive—and this often makes the difference between a decision to buy or not to buy—customers who use your products for themselves are more likely to make a personal connection with it.

- *Give Them the Numbers: Cost-Benefit Analysis and ROI*

When you present your solution to the customer, especially in B2B sales, closing the sale usually depends on whether the cost of your solution is offset by the value it delivers.⁷

If you can quantify your solution using cost-benefit analysis and ROI (return on investment) analysis, you can help your customer determine whether a project or purchase is worth funding. A cost-benefit analysis adds up the benefits and then subtracts the costs.⁸

Cost Benefit Example

Imagine you are selling an energy-efficient commercial dishwasher to a pizza kitchen.

- The dishwasher costs \$3,000, but average cost savings per year are \$800 in energy bills and \$200 in water usage: a total of \$1,000.
- Your dishwashers are guaranteed to last a long time; in fact, you offer a five-year warranty on any purchase.
- At a savings rate of \$1,000 each year, your customer will have saved \$5,000 in energy and water expenses by the time their warranty expires.
- Based on this information, you present this cost-benefit analysis to your prospect:

$\$3,000 = \text{cost (initial investment)}$ $\text{cost savings} - \text{initial investment} = \text{benefit}$

$\$5,000 - \$3,000 = \$2,000$

- *In this case, the cost savings is \$1,000 per year times five years for a total of \$5,000.*
- *Minus the initial investment of \$3,000*
- *With a benefit of \$2,000.*
- *\$3,000 in cost to \$2,000 in benefit*

In other words, the dishwasher has a three-to-two cost-benefit ratio over five years.

You can tell your prospect, “This purchase will save you money in the long run. After you make back what you spent on the dishwasher in cost savings, you will continue to save \$1,000 each year.” Similarly, you can show your customer a return on investment (ROI) analysis.

ROI

ROI shows the customer the return (profit or cost savings) compared to the investment they will make. In the case of the dishwasher, the ROI would be calculated by:

7. Manning, G., & Reece, B (2004). *Selling Today: Creating Customer Value 9th Ed.* Prentice Hall.

8. Hayes, A. (2023, March 28). What is cost-benefit analysis, how is it used, what are its pros and cons? Investopedia. <https://www.investopedia.com/terms/c/cost-benefitanalysis.asp>

- *divide the benefit (in this case \$2,000)*
- *by the cost of the product or initial investment (in this case \$3,000)*
- *then multiply the result by 100, which gives a 66% ROI after five years.*

$$\begin{aligned} & \$2000 \text{ (savings over five years)} \\ & \div \$3,000 \text{ (initial investment)} \\ & \times 100 \\ & = 66\% \text{ ROI} \end{aligned}$$

This approach fits well for analytics and drivers and if the product or service lends itself to calculating ROI or cost-benefits easily.

9.4 HOW TO USE SPIN SELLING IN YOUR SALES CALL

In 1988, Neil Rackham and his company Huthwaite, Inc., researched more than 35,000 sales calls, observing successful and experienced sales professionals doing what they do best. In the process they disproved a number of popular myths about the selling process, and they developed a sales model of their own, which they called SPIN selling.¹ Today sales professionals around the world incorporate the SPIN selling model into their sales process with great success—and if you learn a few simple principles, you can too. The following section describes SPIN selling in a nutshell.

WHAT IS SPIN SELLING?

SPIN works from the theory that relationship selling is customer-centric. It requires you to adapt your selling process to your customer, and it delivers personal solutions. To make this work, you have to ask your buyer a lot of questions, let them do most of the talking, and give their responses your full attention. In the SPIN model, there are four components of a sales call: opening, investigating, demonstrating capability, and obtaining commitment. SPIN gets its name from the four kinds of questions that take place during the investigation stage: Situation, Problem, Implication, and Need-payoff.

With smaller sales, these four components of the sale (opening, investigating, demonstrating capability, and obtaining commitment) often happen sequentially and in a short period of time; a customer might walk onto your car lot and commit to buying a car from you an hour later. But often in business-to-business (B2B) sales, especially complex ones, you will incorporate SPIN components into a number of the steps in your selling process. For instance, you will do some investigation during your pre-approach, and you might make an early presentation in which you open, investigate, and demonstrate capability. Because larger sales take more time, you won't close the sale at the end of your first presentation, but you might get a commitment from your customer to move the sale forward.

OPENING

The opening of the sales call is not the most important part, but it does pave the way for the important steps that come after.² At the beginning of every call, you want to set the preliminaries and make any necessary introductions. In larger B2B sales, you usually won't spend very long on introductions because 95 percent of the time you will be meeting with an existing customer or a prospect you have already met. If you are following up on an earlier sales call, it's important to recap the conclusions of your last discussion: "The last time we spoke, we talked about pricing and setting a timeline, and you agreed that you would like to move the sale forward if we could put together a proposal that matched your budget and would meet your deadlines."

INVESTIGATION

Investigation—asking questions to uncover your buyer's needs—is at the heart of SPIN selling. This is the stage

1. Rackham, N. (1996). *The SPIN selling fieldbook*. McGraw-hill.

2. Rackham, N. (1996). *The SPIN selling fieldbook*. McGraw-hill.

during which you ask the types of questions that give SPIN its name: situation, problem, implication, and need-payoff. Here's how each of these types of questions works during the sales presentation.

SITUATION QUESTIONS

Situation questions deal with the straightforward facts about the buyer's existing situation and provide a starting place for understanding your buyer's needs.³ If you ask too many situation questions, you risk boring your prospect and damaging your credibility, so ask situation questions sparingly. If you do careful research before your sales call, you should find out most of the basic information about your customer's current situation before your meeting so that the situation questions you ask are only the ones that will provide information you aren't able to track down elsewhere.⁴ For instance, if you are selling Internet connectivity, you might ask your buyer, "Which of your offices are currently using DSL?"

Customer: Our four branch campuses use DSL, but our main offices downtown use a cable service.

You: Oh, they use cable? Who is their provider?

Customer: Ajax Communications. We've been with them for about two years.

You: I understand Ajax sometimes offers their service on a contract basis. Do you currently have a contract with Ajax?

Customer: We had a contract, but that ended a couple of months ago.

PROBLEM QUESTIONS

You already know that your prospect will only be motivated to buy if she recognizes she has a need.

Asking problem questions helps customers understand their needs, and ultimately it paves the way for you to propose a solution that seems beneficial to your customer.⁵ Problem questions are the most effective in small sales: "Was limited storage space ever an issue with your last computer? How much has the size and weight of your current laptop affected your ability to carry it with you?" But in B2B sales it is still important to ask a few problem questions so that you and your buyer share an understanding of the problem or need. Sometimes it is tempting to jump right into presenting the benefits of your solution, but keep in mind that your prospect might not always see their problem right away, even if it is already evident to you.⁶ Imagine you sell tractors. To understand the difficulties your prospect faces with their current machines, you could ask problem questions like "How much does it cost to maintain your current farm machinery?" "How often do your tractors break down?" and "Who is usually responsible for doing the maintenance work?"

IMPLICATION QUESTIONS

In larger sales, implication questions are closely linked to success because they increase a prospect's motivation to seek change. Implication questions uncover the effects or consequences of a prospect's problems. These questions are especially effective when your prospect is a decision maker whose success depends on understanding the underlying causes of a problem and its potential long-term consequences.⁷ Say, for instance, your prospect

3. Woodley, G. (n.d.). *SPIN selling: Stop fumbling & start making sales* <https://www.sellingandpersuasionechniques.com/SPIN-selling.html>

4. Rackham, N. (1996). *The SPIN selling fieldbook*. McGraw-hill.

5. Rackham, N. (1996). *The SPIN selling fieldbook*. McGraw-hill.

6. Changing Minds. (2010). *Spin selling*. http://changingminds.org/books/book_reviews/spin.htm#:~:text=Neil%20Rackham%2C%20in%20this%20classic,savvy%20to%20the%20classic%20tricks.

7. Rackham, N. (1996). *The SPIN selling fieldbook*. McGraw-hill.

has offices in five locations, but they only have IT staff at two of the locations. To help them understand the implications of this problem, you might ask questions like this:

You: If a computer crashes at one of your branch offices, who takes care of the problem?

Prospect: That depends. Our Bellevue and Redmond offices have their own IT people, but when we have a problem downtown or in North Seattle, we call someone from the east side offices to come fix it.

You: Wow, that must be a hassle for the IT people! How often do they have to drive out to another location for computer trouble?

Prospect: Usually not more than three or four times each week. If the problem isn't an urgent one, the IT guys usually make a record of it so that they can fix it during their regular visits.

You: So your IT people have regularly scheduled maintenance visits that they make in addition to the occasional "emergency" trips?

Prospect: Yes. Someone from IT visits each of the three locations once a week to run maintenance and fix any issues that have come up since the last visit.

You: The travel time from Redmond to downtown is about half an hour each way, and it can take an hour during rush hour! Isn't the commute from Redmond to your other locations even longer? In total, how much time and money would you guess your company invests in these maintenance trips each week?

*Your buyer might have told you up front that the shortage of IT staff is a problem, but they might not yet realize all the implications of this problem (like higher costs, wasted time, and inefficiency). By asking this set of implication questions you have just asked, you are helping your prospect explicitly state a need (or needs) that you can solve for them.*⁸

NEED-PAYOFF QUESTIONS

*Once you help your prospect uncover their specific needs, you can help them to discover a way out by asking how this problem could be resolved. These questions are called need-payoff questions. If you ask your prospect the right need-payoff questions, they will tell you how your solutions can help them; you won't even need to spend much time talking about your product's benefits because your prospect will have already convinced themselves that your solution will be valuable to them.*⁹ *For example, following the previous conversation about your customer's IT problem you could ask "How would it help if the IT staff could fix at least half of your computer problems remotely?" or "How much time would you save if I could help you find a way to cut down on your IT support calls from the branch offices?"*

From here, you can bring in the FAB approach:

- *The product features, or what the product has: "This car has all-wheel drive, and the back seats fold down to expand the trunk."*
- *Its advantages: "The all-wheel drive capability makes for better handling in ice and snow, and the ability to fold down the seats means you get a larger storage capacity than you would with other cars of its kind."*
- *What the feature does and its benefits: "The all-wheel drive will give you peace of mind when your daughter drives the car in the winter, and the added storage capacity will be especially helpful for any odds and ends you need to transport during your upcoming move." This includes what the features mean, or the ways in which your solution addresses your prospect's acknowledged needs.*¹⁰

8. Spin selling. (2010). *Changing minds*. http://changingminds.org/books/book_reviews/spin.htm#:~:text=Neil%20Rackham%2C%20in%20this%20classic,savvy%20to%20the%20classic%20tricks.

9. Rackham, N. (1996). *The SPIN selling fieldbook*. McGraw-hill.

WHY USE THE SPIN MODEL?

In relationship selling, the idea of a sales “presentation” can be misleading. To deliver customized value to your prospect, you have to understand their needs and make sure that you are in agreement with them about a solution he could use. This means the sales presentation is a two-way communication. When you make the effort to listen to your prospect this way and when you work to understand their needs, not only will you close more sales, but you will also build stronger, lasting customer relationships. Your prospect will come to trust you and to rely on you as a problem-solving expert.

Closed-Ended Questions	Open-Ended Questions
<i>Do you know who your target customer?</i>	<i>Who is your target customer?</i>
<i>Are you open on weekends?</i>	<i>What are your store hours?</i>
<i>Are you planning to launch the new software in the second quarter?</i>	<i>When are you planning to launch the new software?</i>
<i>Is your warehouse in the area?</i>	<i>Where is your warehouse located?</i>
<i>Are you considering a change?</i>	<i>Why are you considering a change?</i>

Asking the right questions is one of the skills required to be a successful salesperson. This is where your ability to ask the right questions really comes into play. It is the open-ended questions that you ask during this portion of the presentation that set the tone for the rest of your presentation. But don't stop here. Ask open-ended questions throughout your presentation to engage the prospect and continue to gain valuable information.

9.5 REVIEW AND PRACTICE

POWER WRAP-UP

Now that you have read this chapter, you should be able to understand how to deliver value in a sales presentation.

- You can **plan** the steps you need to take to prepare for a sales presentation.
- You can **describe** how to dress for success at a sales presentation.
- You can **explain** how to deliver the message to your prospect.
- You can **understand** SPIN and how to use it during the sales presentation.
- You can **list** the five steps of a successful presentation.
- You can **understand** how to have a successful job interview.

Exercises

Test Your Power Knowledge (answers are below)

1. Explain what it means to deliver value to your customer.
2. What is the best rule of thumb for dressing for a sales presentation?
3. List three dos and three don'ts for giving a PowerPoint presentation.
4. Explain the 10/20/30 rule for a PowerPoint presentation.
5. What are the benefits of using samples or demonstrations in your presentation?
6. List the four components of SPIN selling.
7. Give an example of a closed-ended question.
8. Give an example of an open-ended question.
9. What should you always do before making a specific benefit statement?
10. When should you deliver the proposal in a sales presentation and why?

POWER (ROLE) PLAY

Now it's time to put what you've learned into practice. Following are two roles that are involved in the same selling situation—one role is the customer, and the other is the salesperson. This will give you the opportunity to think about this selling situation from the point of view of both the customer and the salesperson.

Read each role carefully along with the discussion questions. Then, be prepared to play either of the roles in class using the concepts covered in this chapter. You may be asked to discuss the roles and do a role-play in groups or individually.

In the Driver's Seat

Role: Customer at a high-end car dealership

You are considering a new car. You want performance, but you still need some space for passengers. You want the latest and greatest, yet still be comfortable and be able to transport people and things easily. You are willing to pay for what you want, but given the current economic environment, you are concerned about paying too much.

- What type of presentation would you expect to get at the car dealership?
- What questions will you have for the salesperson about the car?
- What questions will you have for the salesperson about the financing for the car?

Role: Salesperson at car dealership

You want to be able to put this customer in the car he wants, but first you need to identify some things. If he has a family and needs space, you have just the car for him. And you have a price reduction for this week only since it's the last week of the month (and you want to make your quota). But you're not sure what is more important to him—luxury appointments, passenger space, gas mileage, status, or price. You want to use SPIN selling to understand exactly what he needs.

- How will you prepare for the presentation?
- How will you start the presentation?
- What questions will you ask in each of the areas of SPIN?
- How will you learn about the prospect's objections (if there are any)?
- How will you trial close?

PUT YOUR POWER TO WORK: SELLING U ACTIVITIES

1. *Draft a list of the projects you have worked on for which you have samples that could showcase your work. Make a separate folder on your computer where you can save any of these files for use during your interview.*
2. *Use the list of popular interview questions and guidelines to generate answers that you can deliver during your interview. Write these answers down and save them somewhere where you will be able to review them before going to a job interview.*

3. *Visit your campus career center and learn about the opportunity to participate in mock interviews. Prepare for the mock interview and dress for success.*

TEST YOUR POWER KNOWLEDGE ANSWERS

1. *Delivering value means asking questions, listening to your customer, and defining value in customer terms.*
2. *Dress one step above what you would wear if you worked at the organization. When in doubt, dress up.*
3. *Dos include the following:*
 - *Do make your slides easy to read.*
 - *Do replace descriptive headlines with headlines that sell.*
 - *Do use the 10/20/30 rule.*
 - *Do remember that that PowerPoint is only an aid.*

Don'ts include the following:

- *Don't turn down the lights.*
 - *Don't go overboard with technological gimmicks.*
 - *Don't hide behind your computer screen when using PowerPoint.*
 - *Don't fill your slides with words.*
 - *Don't bore your audience with visual sameness.*
4. *Make sure you limit your slides to 10 or fewer. Give yourself 20 minutes to go through your 10 slides. And use only 30-point or larger font size so that your audience can clearly read what you've written.*
 5. *Samples and demonstrations bring the product to life and help your prospect to see your solution as part of her story. Samples and demos also educate the prospect, prove the performance of your product, and get the prospect involved.*
 6. *Opening, investigation, demonstrating capability, and obtaining commitment.*
 7. *A closed-ended question requires a yes or no answer, such as "Do you currently use a recycling service?"*
 8. *An open-ended question engages the customer in conversation, such as "How do you currently process invoices?"*
 9. *Check for understanding.*
 10. *Proposals should only come after your prospect has clearly made a connection to your product. Presenting specifics like pricing early on can create objections and prevent your prospect from making an emotional connection to the product.*

KEY TAKEAWAYS

- *Presenting to individuals requires a different set of skills and techniques than presenting to groups, so make sure you have a clear strategy for your presentation that takes the size of your audience into account.*
- *When presenting to an individual, keep your prospect's personality in mind and adapt your approach accordingly. Take their position and responsibilities in the company into account in the way you present your solution.*
- *Selling to groups can be a more efficient presentation method, and sometimes it is required in your customer organization. When conducting a group presentation, take group dynamics into account, keeping in mind that people act differently in group situations than they do in one-on-one interactions*
- *Closed-ended questions help keep the prospect engaged and should be balanced with open-ended questions, which help you probe further into the problem your product can solve.*
- *SPIN selling is a four-step model that relies on the theory that successful selling is customer centered and offers customized solutions to your prospect's problems.*
- *There are four steps to a SPIN sales call: opening, investigation, demonstrating capability, and obtaining commitment.*
- *The opening stage builds rapport and establishes a buyer centered purpose for your call.*
- *The investigation stage is at the heart of the SPIN model. The goal of this stage is to ask questions that will uncover your buyer's needs.*
- *There are four types of investigation questions: Situation, Problem, Implication, and Need-payoff (SPIN).*
- *There is almost no better way to bring your product to life than by using samples or demonstrations to get your prospect involved.*
- *Your customer will expect you to bring a cost-benefit analysis or ROI analysis as a way to quantify your solution.*

PART X.

HANDLING OBJECTIONS

Learning Objectives

1. Restate what a sales objection is and why they occur.
2. Explain how overcoming objections can strengthen a relationship.
3. Analyze the different types of objections and how to handle them.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=192>

10.1 OBJECTIONS ARE OPPORTUNITIES TO BUILD RELATIONSHIPS

Since you are constantly selling in your everyday life, you have also undoubtedly encountered objections: your friend doesn't want to see the same movie as you, your co-worker won't switch shifts, and your partner has the car. When you attempt to convince someone or "sell" them on your point of view, you are not always successful. But each time you "sell" your idea, you usually have additional information or a fallback position so that you can get what you want while meeting the other person's needs. You are probably more skilled in overcoming objections than you realize.

*Occasionally in your sales career, you will encounter a situation in which you are able to close the sale directly after giving your sales presentation. Such a situation, however, is the **exception** not the **rule**. Objections are simply a natural outcome of the sales process. Each potential prospect has their own set of unique needs, and, though you may identify most of them during the pre-approach stage of the selling process when you do your research, you will not be able to anticipate all of them. After all, you are not a mind reader. Besides, if all it took to excel in sales was to deliver a perfect script, anyone could do it. But that is not the case. The essence of sales is handling objections and truly understanding how you can help your prospect meet their needs. So an objection is simply a question from a prospect that indicates that they want more information. If they weren't interested, they wouldn't be asking questions. The first myth to dispel is the assumption that objections are **bad** or an omen foreshadowing failure. On the contrary, resistance usually portends commitment. If a prospect is asking you questions, you can at least assume that they are interested in your product or service. In fact, in all likelihood, they already know whether or not they need or want to make the purchase. Thus, the reason they are objecting isn't necessarily because your presentation failed to communicate the features, advantages, and benefits of your offering. Rather, they are objecting because they are seeking reassurance for their decision.*

WHAT ARE OBJECTIONS?

*"Sales objections are issues that prospects communicate to sales professionals as reasons why they can't buy a product or service from them."¹ While **objection** may sound like **rejection**, you should never assume that when a prospect asks a question or expresses a concern that you have failed to generate interest in your product or service—it is more about the need to clarify misconceptions about the product or service to reassure the prospect about their buying decision. Yes, it is true sometimes that your prospect will object when they truly cannot or do not want to buy.*

Usually, though, objections mask—intentionally or unintentionally—a request for more information. They simply signal your prospect's level of interest and alert you to what actions need to be taken to bring the sale to a close. If your prospect expresses objections, consider them invitations to continue to sell. Furthermore, leverage these objections into an opportunity to continue to build your relationship with your prospect so that you can continue to create a positive influence on the buyer's decision. The fact is objections help you build your relationship and find the true reason for resistance. Think of objections as opportunities. You may find

1. Gonzalez, B. (2021, October 22). *The 8 most common sales objections by prospects & how to overcome them* [blog post]. Hubspot. <https://blog.hubspot.com/sales/the-5-most-common-objections-during-prospecting-and-how-to-overcome-them>

it interesting to know that in sales, 80% of prospects say no four times before they say yes.² That means that it's more likely than not that you will experience a prospect who poses at least one objection: asking a question, requesting more information or time, or pushing back due to financial constraints. Without objections, you would have no way of knowing what a prospect is thinking, what concerns they have or what barriers might be in the way of them saying, "Where do I sign?"

Think back to the steps of the selling process that you have covered so far: prospecting and qualifying, pre-approach, approach, and presentation. Throughout each of these steps, your focus is on understanding your prospect's needs and building a relationship based on trust. The same is true for this step: handling objections. This is all about learning more, finding common ground, and providing the solution that is best for your prospect. Objections and conversation help you better understand exactly what your prospect wants and needs. The bottom line is that you don't want to avoid objections; you actually want to encourage objections and ask for them.

WHY PROSPECTS OBJECT

While prospects may voice their objections in different ways, just about every objection comes down to one of four reasons: not enough money, no perceived need, no sense of urgency, and no trust.³ As a selling professional, you have control over each one of these objections but it's too late if you address it only when the prospect objects. In other words, you are actually handling objections at every step of the selling process. For example, you can avoid the price objection with a thorough overview during your first step of the selling process.⁴ If a prospect does not have a perceived need or high sense of urgency to buy your product or service, your challenge is to understand the drivers of their business. Every business has challenges, and your role from the time you qualify the prospect is to understand your prospect's "pain points," those issues that cause problems for them and their company and present barriers to growth. If you truly understand your prospect's business, it is much easier to present a solution that addresses the perceived need and reasons to buy it now.

WHEN PROSPECTS OBJECT

While you may not be able to predict your prospect's every objection, you can at least predict that **they will object**. Knowing when to expect objections is the first step to handling them: you will eliminate the chance of appearing caught off guard or unprepared to discuss the product or service that you are selling. Including potential objections in the pre-call planning worksheet (See chapter 10) will help prepare you and the use of trial closes are also very helpful. Given that it is possible that the prospect may object at any time during your sales call—from introduction to close—trial close whenever want to see how your prospect or customer feels about the sale or a particular feature (whereas closing is asking for the sale). Examples of trial closes include:⁵

- What do you think about this solution?
- Does the product/solution make sense to you?

2. Assemi, R. (2022, November 15). 55 Shocking sales statistics that'll change the way you sell in 2023. Close. <https://blog.close.com/39-shocking-stats-that-will-change-the-way-you-sell/>

3. Shaby, D. (2021, December 21). The four types of sales objections and how to overcome them. *Forbes*. <https://www.forbes.com/sites/forbesbusinesscouncil/2021/12/22/the-four-types-of-sales-objections-and-how-to-overcome-them/?sh=19a012086803>

4. Leotta, J. (2010, February 2). *Overcoming doubts*. Selling Power. <https://www.sellingpower.com/2010/02/02/5351/overcoming-doubts>

5. Metler, R. (2017, November 9). *The 8 best sales trial closing questions to guarantee the deal*. Salesforce Search. <https://www.salesforcerearch.com/blog/8-best-sales-trial-closing-questions-guarantee-deal/>

- *Have I answered your question?*
- *What do you think about this proposal?*
- *Based on what we have discusses so far, do you have any questions?*

You trial close so that you can move onto the next phase in the sales call.

10.2 TYPES OF OBJECTIONS AND HOW TO HANDLE THEM

*Learning how to handle objections is key, especially when many of the same ones occur regularly. All handling techniques should be an attempt to reframe the objection so that the prospect understands the bigger picture, the benefits to your product or service and any missing information is provided:*¹

1. **Restate the objection before answering the objection.** It is a good idea to check for understanding and demonstrate that you are listening by restating your prospect's objection. For example, "So what you're saying is you're concerned about the capacity during peak periods" or: "So you are saying that you're concerned with ROI and the impact on your total costs?"
2. **View the objection as a question** and then question to understand. "Why do you feel the price is too high" or "Can you share your concerns in this area?" "What changes would make this work"
3. **Take a pause before responding.** Many times salespeople "oversell" when they are answering an objection. When a prospect raises an objection, stop, listen, and pause for a few seconds. This shows the prospect that you are legitimately listening to her objection, not just trying to sell.²
4. **Use testimonials and past experiences.** Don't avoid answering any part of an objection. In fact, objections are the perfect time to share testimonials. For example, "I have another customer who was concerned about the turnaround time. They found that not only were we able to deliver on time, we were slightly under budget." Testimonials can be very powerful at any point in your sales presentation but especially when a prospect presents an objection.

DOS AND DON'TS OF HANDLING OBJECTIONS

*The following are things you should concentrate **on doing** when you are handling objections:*

- **Do** maintain a positive attitude and be enthusiastic.
- **Do** remember that objections are a natural part of the sales process and should not be considered as a personal affront.
- **Do** maintain good eye contact, even when under fire.
- **Do** listen closely to an objection.
- **Do** acknowledge the objection and let your prospect be heard.
- **Do** prepare to prove your position with testimonials, references, and documentation.

*The following are things you should **avoid doing** when you are handling objections:*

1. Chan. (2023, April 11). *7 winning steps for effective objection handling* [blog post]. Salesforce. <https://www.salesforce.com/blog/6-techniques-for-effective-objection-handling-blog/>
2. Galper, A. (2016, October 17). *Diffuse objections by listening to your prospect's concerns...* Unlock the Sales Game. <https://unlockthegame.com/diffuse-objections-by-listening-to-your-prospects-concerns/>

- **Don't** knock the competition. That takes the focus off you and your company, and you never want to do that.
- **Don't** say anything negative about your company.
- **Don't** say anything negative about your product or service.
- **Don't** tell the customer that they are wrong.
- **Don't** tell the customer, "You don't understand."
- **Don't** argue with a customer.
- **Don't** lie to a customer. Long-term relationships are built on trust and honesty. It is far better to say, "I don't know, but I'll find out and get right back to you."
- **Don't** be defensive. That's not a positive approach to an objection.
- **Don't** lose your cool with the customer.
- **Don't** let an objection go by without an answer.

10.3 TYPES OF OBJECTIONS

Prospects may object for any reason, but there are four major categories into which most objections fall. When you are prepared for all these types of objections, you will be able to successfully handle them.

- *Product objection*
- *Source objection*
- *Price objection*
- *Stalling objection*

PRODUCT OBJECTION

Sometimes prospects voice an objection as it relates to the product, called a product objection. Comments such as “This isn’t as good as your competitor’s product” or “The colour is all wrong” are a reflection of a concern about the performance of the product. For complex purchases, prospects may not fully understand all the functions of the product due to lack of familiarity. Listening is an important skill to use, especially when a prospect voices a product objection. It’s a good idea to handle product objections by describing warranties, using testimonials, getting the prospect engaged in a product demonstration, or presenting industry or third-party research to support your claims.¹ For example, consider if the prospect says “This is not as good as the competitor.”

Using the method in the previous section, you handle this objection by:

- 1. rephrase the objection as a question: “What aspects of our product do you feel is not as good” and then once the prospect has clarified*
- 2. you can move onto reiterating the FAB (features, advantages and benefits) that address the prospect’s objection followed by*
- 3. a trial close to ensure you have answered this objection.*

SOURCE OBJECTION

Some prospects voice objections about the company or about doing business with you as a salesperson. This is called a source objection and usually tie to the concern of a customer about the quality/image of the company or your training, service that you will deliver, or the relationship with you as their sales contact. This is an opportunity for you to help your prospect understand your company’s strengths. Your prospect may say something like “You are way too young to handle this size of an order!” Reply by clarifying the objection and then perhaps using a testimonial or reference to dispel the objection.

PRICE OBJECTION

One of the most common objections is the price objection and it usually refers to risk. It is important to ask

1. Futrell, C. (2008). *Fundamentals of Selling: Customers for Life through Service* (10th ed). McGraw-Hill Irwin.

probing questions to really understand the nature of this objection. Many prospects use the price objection as a negotiating ploy to determine how much flexibility there is in the pricing, while others use it as a way to object due to budget constraints. It's best to always be prepared for the price objection. The bottom line on the price objection is that people buy when they see the value. Cost (or price) is what the customer actually pays for the product or service. Value is the benefit that the customer receives from the product or service. It is value that customers assign to a product or service that determines the price.

For example, value is what dictates that a shack on the beach in Vancouver, is worth more than a similar home in Regina, Saskatchewan. Or in another example, value is what causes customers to pay more for Lulu Lemon leggings than a comparable pair. This is the essence of value. Even when budgets are tight, companies make adjustments to purchase the products or services that they find compelling and can help them profitably grow their business. If you think about it, the same is probably true for your personal purchasing; when you want something bad enough, you are able to somehow find the money for it. So be prepared for the price objection.

Preparation will make you look at the product or service through the eyes of the prospect and will help you establish the value. A price objection example would be "Your prices are much higher than anyone else I have looked at." Again, clarify "So what you are saying is that you think are prices are too high?" Then provide a response based on value "certainly, price is part of the equation, but it's also important to look at the value for the price."

You mentioned that real-time inventory information was an important strategic issue for your business. Ours is the only product on the market that provides real-time inventory information without any integration costs. Our system is a true plug-and-play application so you can begin getting real-time inventory the day we sign the deal. In fact, one of my customers was concerned about the same thing, and now we provide their entire backend logistics. The price may be higher upfront, but it pays for itself in as little as 6 months." Another alternative is to prove the value "Can I show you how the product will reduce your costs by 20% in a year so that you can see the value in the higher price?"

HIDDEN (OR STALLING) OBJECTION

A hidden objection is an objection that is not openly stated by the prospect but is an obstacle in the way of making the sale. In this situation, a prospect doesn't state their concern about making the purchase. Instead, they might ask trivial questions to avoid the issue or they might not ask any questions at all and simply state that they do not have a need for the product or service.²

If a customer feels pressure or anxiety about the purchase, they may try to stall (especially if you have not demonstrated the value. A common hidden objection looks like "I have to think about it" statement. While the "I have to think about it" objection might sound like an objection, it is actually a stall. This "objection" usually occurs when a prospect isn't completely comfortable with you and your product or service.

This is the classic stall tactic and is a signal for you to build your relationship. Prospects usually use this objection when they are trying to mask some fear or risk that they have about committing to the sale. Your challenge is to uncover the risk that the prospect sees and build your relationship with them build a deeper trust.³ Just as with other objections, asking questions is important to understand why the prospect is stalling and what kind of information will help them feel more comfortable. In reality, this objection is one that is a signal for you to work on improving your relationship with the prospect.

2. Futrell, C. (2008). *Fundamentals of Selling: Customers for Life through Service* (10th ed). McGraw-Hill Irwin.

3. Gitomer, J. (2009, June 22). *I'd like to think about it-and other sales stalls*. [YouTube video]. <http://www.youtube.com/watch?v=cCyf8af78A8&feature=related>

10.4 REVIEW AND PRACTICE

POWER WRAP-UP

Now that you have read this chapter, you should be able to understand how to handle objections.

- You **understand** objections are a normal part of the selling process and are not a personal reflection on you.
- You **learn** that objections are opportunities to build a relationship.
- You **recognize** that anticipating objections is the best way to handle them.
- You **understand** the role that risk plays in your prospect's decision and how to help him minimize the risk.
- You can **list** the six strategies for handling objections.
- You can **discuss** the five types of objections and how to handle them.
- You **learn** how to handle objections in job interviews.
- You **understand** how to use a follow-up, including thank-you notes, to set yourself apart and overcome objections even after the interview.

Exercises

Test Your Power Knowledge (answers are below)

1. What is an objection?
2. What is the best way to anticipate objections?
3. At what point in the selling process might the prospect or customer object?
4. Name the six strategies to handle an objection.
5. Name the five types of objections.
6. What is value?
7. What is a hidden objection?
8. How can you overcome objections after a job interview?

POWER (ROLE) PLAY

Now it's time to put what you've learned into practice. Following are two roles that are involved in the same selling situation—one role is the customer, and the other is the salesperson. This will give you the opportunity to think about this selling situation from the point of view of both the customer and the salesperson.

Read each role carefully along with the discussion questions. Then, be prepared to play either of the roles in class using the concepts covered in this chapter. You may be asked to discuss the roles and do a role-play in groups or individually.

Meeting Objection

Role: Meeting planner at Capstone Industries, a distribution company

You are responsible for planning the annual meeting for the company. It is the only time that all five hundred employees are in one place. The three-day conference is usually quite a lavish affair; however, this year the budget is much smaller. Your objective is to book a five-star venue despite the budget reduction. You have just taken a tour of the lavish Premier Hotel, and you are impressed. However, the price you received in the proposal is still too high considering the fact that you would be booking five hundred rooms for three nights and three meals per day plus snacks, not to mention the additional business the lounge will realize from your attendees.

- Now that the salesperson has made his presentation, what will you say to tell her that the price is too high?
- What are the points you want to make in your objection?

Role: Event sales rep, Premier Hotel

You are responsible for booking the events at this spectacular five-star hotel. The convention facilities are state-of-the-art and ideal for large corporate meetings. The accommodations are suites, not rooms, so two people can stay comfortably in each one, which helps reduce the overall cost of rooms. The service is impeccable and has ratings above the Ritz Carlton and Four Seasons. In fact, Premier Hotel has received the J. D. Power and Associates Award for the best service in the hospitality industry.

You have done your presentation along with a pricing proposal and presented it to the prospect. This is an important meeting for the hotel, and it's important that you close the sale. However, first you will need to handle some objections.

- What is the value that Premier Hotel offers to Capstone Industries for this meeting?
- What objections are you most likely to get?
- How you will prepare for each one?
- You are not willing to lower the price, so if you get the price objection, how will you handle it?

PUT YOUR POWER TO WORK: SELLING U ACTIVITIES

1. *Assume you are on a job interview and the interviewer has indicated that you might be overqualified for the position. How would you prepare for a question like this? How would you respond?*
2. *Visit your campus career center and meet with a career counselor to discuss common objections that may come up in job interviews. How would you handle each one?*
3. *Meet with your advisor or one of your professors or other professional. Share your career aspirations with them. Ask each of them about objections he may have if he were interviewing you. How would you handle each objection?*

TEST YOUR POWER KNOWLEDGE ANSWERS

1. *Questions or hesitations on the part of the prospect or customer.*
2. *Review your presentation with someone, write down all the possible objections, and incorporate them into your presentation.*
3. *A prospect may object at any time, especially when you are setting up the appointment, during the presentation, and during the trial close.*
4. *View the objection as a question, respond to the objection with a question, restate the objection before answering the objection, take a pause before responding, use testimonials and past experiences, and never argue with the customer.*
5. *Product objection, source objection, price objection, money objection, “I’m already satisfied” objection, and “I have to think about it” objection.*
6. *Value is the worth that a product or service provides to a customer. It is not based on cost but on perceived benefit.*
7. *An objection that is not openly stated by the prospect but is an obstacle in the way of making the sale.*
8. *Send a personal thank-you e-mail and handwritten thank-you note within twenty-four hours of the interview.*

KEY TAKEAWAYS

- **Objections** are a normal part of the selling process and are not a personal reflection on you but rather an opportunity to learn more about how the customer is evaluating the potential purchase.
- **Objections** actually help build relationships because they give you the opportunity to clarify communication and revisit your relationship with the prospect.
- The best way to handle **objections** is to be thorough in every part of the selling process from qualifying through the preapproach, approach, and presentation.
- It's a good idea to anticipate **objections** by reviewing your presentation, writing down every possible objection, and building it into your presentation.
- There are six strategies that will help you handle any objection: view the objection as a question, restate the objection before answering the objection, take a pause before responding, use testimonials and past experiences, and never argue with the customer.
- There are four major types of objections: **product, source, price, and stall**.

PART XI.

HOW TO CLOSE

Learning Objectives

1. Outline the closing techniques including trial closes.
2. Explain the different closing techniques.

11.1 CLOSING AS PART OF THE SELLING PROCESS

Remember, if you don't ask, you don't get. You would not believe the number of salespeople who never ask the customer to buy. You don't have to be a sales superstar with a bunch of stock closes. Saying things like "want to take it home?", "OK with you?" or "should I write it up?" might be all the close you need.¹

Closing can be a simple process but it does need to be done. Think back to the sales process. The seven step process introduced in [Chapter 6](#).

Closing should be the easiest step if you have followed the process.

- *You have done your research on your prospect (Step 1 & 2),*
- *Determined the right approach (Step 3),*
- *Handled all of their objections as they have come up (Step 5).*

So now, the prospect has no reason not to want to buy whatever you are selling. Right? This is the theory. It does not always work this way. There are reasons why closes don't happen in a sales call. Can you think of any? Trust is one—if you have not established rapport through your research and approach (think communication styles and techniques) or perhaps you did not qualify the prospect correctly or perhaps you did not answer the objections during the presentation or quite simply, perhaps you did not use active listening and misunderstood the customer needs.

A Harvard Business Review 2017 survey of 230 businesses and their top 7 reasons for why a sales call fails to close.²

- 1. The salesperson is not trustworthy or respected. So, using good communication skills and doing your research will help build trust and respect.*
- 2. Salespeople don't know how to talk effectively with senior executives. Again the focus is on communication and doing your research on your prospect. The survey noted that fewer than one out of three salespeople could hold an effective conversation with senior executives*
- 3. The salesperson cannot clearly explain how their solution helps the buyer's business. The salesperson needs to be very clear on the BENEFITS of the product or service (not just features) and then able to communicate that into solutions specific to the customer.*
- 4. Salespeople are too self-centered. The survey revealed that customers feel the salesperson may not have their best interest in mind. Again, salespeople need to communicate the benefits for the customer clearly and focus on the relationship.*
- 5. Salespeople are using the wrong closing strategy. It is important to customize your sales presentation and in particular, the close to the customer. We will look at closing techniques in this chapter.*

1. Popyk, B. (2019). Asking the Right Questions to Close the Sale. *Music Trades*, 167(11), 54.

2. Martin, S. (2017, August 2). 7 reasons salespeople don't close the deal. *Harvard Business Review*. <https://hbr.org/2017/08/7-reasons-salespeople-dont-close-the-deal>

6. *Salespeople don't reduce the feeling of risk with buying their solutions. Salespeople need to communicate the benefits clearly and help reduce skepticism. Take the time to build a relationship.*
7. *Salespeople cannot establish a personal connection to the buyer. Again, communication styles, research and knowing your product or service well (doing your research) will help build a connection and bring you closer to a close and a sale.*

The results of this survey demonstrates the value of building trust, focusing on communication techniques, and understanding the value from the customer's perspective. We learned all of these techniques in the chapters leading up to this one. The bottom line is that "you don't need to be a good closer. You need to be a good asker. You need to be a good listener. Get the customer to talk."³ One technique is to develop a list of 15 to 25 questions that help uncover needs and problems so that you can learn how to translate your product or service into benefits. Some suggestions include:⁴

- What has been your experience with...?*
- What makes you choose...?*
- What do you like about ...?*
- What one thing would you improve about...?*
- How do your customers react to...?*

So, you have done your research and followed the 7 step process to selling and are at the closing of the sales presentation. Now what? The next section outlines different closing techniques.

3. Popyk, B. (2019). Asking the Right Questions to Close the Sale. *Music Trades*, 167(11), 54.

4. Gitomer, J. (1995). Closing the sale requires as few as five questions. *Business Press*, 7(46), 31.

11.2 CLOSING TECHNIQUES AND HOW TO USE THEM

There are many closing techniques that have been researched for improving the effectiveness of the sale. In this chapter, we will focus on five:

1. **Summary close**—reiterate the conversation, the benefits and summarizing why the prospect will buy. An example includes: “So, the Centrifab washing machine has a brushless motor, a 10 year comprehensive guarantee, and free delivery and installation. These were the features you emphasized so that you can have a machine that will be guaranteed to last with a quiet motor and that you don’t have to set up. When would be a good time to deliver?”¹
2. **Direct close**— simply just asking for the order. This technique can also be called the assumptive close. This technique is the simplest but it also seems to be the hardest as salespeople fear rejection and are hesitant to ask. If you are confident the buyer is interested and you have answered all their questions, ask for their business. An example would be: “Can I get started on the paperwork” or “Does that sound ok?”
3. **Alternative choice**—asking the prospect to pick between two choices. Both of the choices lead to purchasing the product or service though. Examples include: “Would you like the washing machine delivered on Monday or Wednesday? “ Would you like to invest \$1000 or would \$500 be a better amount for you?”²
4. **T-account/balance sheet close**—outlining the pros and cons to the purchase. This is similar to the summary close except you are writing down on paper and working close with the buyer to show the benefits of buying.
5. **Success story close**—telling a story or using a referral story where a business successfully solved their problem by buying the product or service you are selling.³

1. Wiggins A. (2023, May 4). *How to close a sale: 7 closing techniques & why they work* [blog post]. Hubspot.

<https://blog.hubspot.com/sales/sales-closing-techniques-and-why-they-work>

2. Ingram, T., LaForge, R., Avila, R., Schwepker, C., Willimas, M. & Shannahan, K. (2015). *SELL*. Toronto: Nelson Cengage.

3. Ibid.

11.3 TRIAL CLOSES AND CLOSING CHALLENGES

One key tool in your sales toolbox is the trial close. A trial close helps test the water to get an idea on what the customer is thinking about the product or service. Trial closes are low risk because it is asking for an opinion or checking on how well you handled an objection and it is not asking for a decision from the client.¹

An example would be something like “On a scale from 1-10, how would you rate this new phone?” or “Now that you have seen how the product works in water, what do you think of its durability?” The best use of a trial close is after you have made a strong selling point or when you have answered objections. It can be simple like “It looks like you really like this. Is that true? Or “How would this look on your shelf back at home?”

The Trial Close works by putting the idea of closure into a person’s mind. Their response will tell you whether they are ready to close or not.²

So, given the ease of using trial closes and following the 7 step process, why are salespeople reluctant to close? The number one reason is the fear of rejection. What if you ask for the sale and they say no??? Research shows that this fear is attached to our culture where career success is directly linked to our self-worth and this impacts our willingness to close a sale.³ One of the best ways to overcome this fear of rejection is to build confidence through sales training (like taking this course!), having realistic goals, analyzing your calls afterwards to help improve, and practicing. Recognizing that it takes time to build relationships and that a No is not personal.

Some suggestions to help with closing challenges:⁴

1. Don’t just close once. If you wait until the very end to close, how do you know if you have answered the customers’ questions and objections? It’s important to consistently close through the sales presentation using trial closes and a variety of techniques.
2. Not asking for what you want. This seems straightforward but as a salesperson might fear rejection, they soften their ask to minimize the change of hearing “no” or they don’t write out clear objectives for the sales call and leave without really getting what they want.
3. Using statements instead of questions. This comes back to listening more than speaking and using good communication methods. Questions get at the root of the customer’s problems so that you can sell on the benefits. Try and remember that talking too much is one main cause for not getting a sale.
4. Closing to someone who can’t deliver. This challenge results from not doing your research to properly qualify a lead or not understanding the decision criteria in a business to business sales call.

1. Cardone, G. (2017, October 11). How “trial closes” can make you rich. *Entrepreneur*. <https://www.entrepreneur.com/article/302451>

2. Changing Minds. (2020). Trial close. http://changingminds.org/disciplines/sales/closing/trial_close.htm

3. Pipedrive. (2020). 9 ways to overcome fear of rejection in sales [blog post]. <https://www.pipedrive.com/en/blog/fear-of-rejection-in-sales>

4. Hoffman, J. (2019, October 22). 17 sales closing mistakes that’ll stop a deal in its tracks [blog post]. Hubspot. <https://blog.hubspot.com/sales/sales-closing-mistakes>.

11.4 REVIEW AND PRACTICE

POWER WRAP-UP

Now that you have read this chapter, you should be able to understand how closing and negotiation work in the selling process.

- You **learn** the role of the close in the selling process.
- You **understand** how the close is an opportunity to build a relationship.
- You **recognize** that closing is a natural part of the selling process.
- You can **list** the different types of closes.
- You **understand** how to negotiate so that all parties win.
- You **realize** that a job offer can be negotiated.

Exercises

Test Your Power Knowledge (answers are below)

1. Explain the statement “The close, or getting the order, starts at the beginning of the selling process, long before you even come in contact with the prospect.”
2. What is a trial close?
3. Describe three times during a sales call that are good times to close.
4. Assume you are selling a video game. Give an example of an alternative-choice close.
5. Describe the role that trust plays in negotiating.
6. What are the three elements that are always present in a negotiation?
7. Why do salespeople think they need to lower the price to have a successful negotiation?
8. Describe what a concession is in a negotiation.
9. Name the three steps in the negotiation process.
10. What is a prenegotiation goal?
11. Is the following statement true or false? You can get more as a result of a negotiation in which you are emotionally involved.
12. How do you know if you received a good job offer?
13. What is the difference between compensation and salary? Why is it important to know this when negotiating a job offer?

POWER (ROLE) PLAY

Now it's time to put what you've learned into practice. The following are two roles that are involved in the same selling situation—one role is the customer, and the other is the salesperson. This will give you the opportunity to think about this selling situation from the point of view of both the customer and the salesperson.

Read each role carefully along with the discussion questions and be prepared to play either of the roles in class using the concepts covered in this chapter. You may be asked to discuss the roles and do a role-play in groups or individually.

Sweet Success

Role: Purchasing manager at ProFood, the food service supplier for campus cafeterias and restaurants

You are responsible for purchasing the products to be offered in college cafeterias and restaurants. You try to include new products that reflect the eating trends of the students. One of the trends is for more natural and organic food choices. The challenge is that, in order to offer new menu options, some of the existing options need to be eliminated. Any new products must be able to generate more revenue than existing items at a lower cost. You are especially interested in increasing sales at the snack bars with impulse items like individually wrapped cookies and cakes. The Organic Delight Desserts option is exactly what you are looking for, but the price is too high, and you're not sure you want all the flavors that come packed together in one case. The price from the sales rep is \$20 per case. There are four flavors packed in a case—chocolate, strawberry, lemon, and mocha. At this rate, you might only put this in your top ten schools. If you can get a better price with the option to order individual flavors by the case, you might consider putting the line in all three hundred colleges and universities.

- Are you interested in negotiating to get what you want from the sales rep, or will you just take a pass and wait for another product?
- If you want to negotiate, what are your prenegotiation goals?
- What will you ask for during the negotiation? Is this different from your prenegotiation goals? Why or why not?

Role: Territory manager, Organic Delight Desserts

You are selling a new line of 100 percent organic desserts. These cookies and mini cakes are individually wrapped and are an excellent impulse item, or ideal for cafeterias. Since this is a new product line, it would be ideal to get placement with ProFood because it could lead to distribution at hundreds of schools. You just need to sell the purchasing manager on the line. You have sampled the products, and she likes the taste and thinks the packaging is perfect for her schools. Now you are down to negotiating on price and packaging. You have quoted \$20 a case for a case that includes all four flavors—chocolate, strawberry, lemon, and mocha. You might have some flexibility to have a custom cases made up in each flavor so she can order only the flavors she wants. However, it will cost additional handling to do that.

- Are you going to make this a “take it or leave it” proposal?

- If you are going to negotiate, what are your prenegotiation goals?
- How will you find common ground to make this a win-win-win situation?
- What will you ask for during the negotiation? Is this different from your prenegotiation goals? Why or why not?

PUT YOUR POWER TO WORK: SELLING U ACTIVITIES

1. *Visit the campus career center and ask about salary information that is available for positions that you are interested in pursuing. Compare this information to similar information you have gathered from Web sites mentioned in this section that include salary information. What information is consistent? What information is different? Ask a career counselor to help you understand the differences.*
2. *Talk to a campus career center counselor, advisor, or other professor or professional (and use this information in this section) and create a list of elements that might be included in a job offer. Identify those elements that are most important to you. What are your prenegotiation goals as it relates to this list?*

TEST YOUR POWER KNOWLEDGE ANSWERS

1. *If you do your prospecting and qualifying correctly, you can significantly improve the number of times you are able to close a sale.*
2. *A trial close is when you ask your prospect their opinion. A close is when you ask for a decision.*
3. *When the prospect is demonstrating positive body language, when the prospect asks questions, and after you handle an objection.*
4. *“Would you like to preorder Guitar Hero Van Halen or take Guitar Hero Metallica with you now?”*
5. *Negotiating is based on trust. If your prospect doesn’t trust you, chances are she will be unwilling to compromise and find common ground during the negotiation.*
6. *Information, power, and time.*
7. *Forty percent of prospects ask for a lower price. Salespeople should work to get below the surface and understand the prospect’s true needs. Prospects are looking for value, not necessarily price. Salespeople should demonstrate the value of their product or service and negotiate on other elements rather than price. Reducing the price decreases profit, commission, and value of the product or service in the mind of the prospect.*
8. *A concession is something on which you are willing to compromise such as price, service, terms, options, or other elements of the deal. It’s best to get a concession when you give a concession.*
9. *Prenegotiation, negotiation, and postnegotiation.*
10. *Goals that you identify before the beginning of a negotiation that establish the minimum that you are willing to accept to make the deal happen.*

11. *False.*
12. *Do research before beginning your job search by visiting Web sites that include salary information.*
13. *Salary is only one portion of total compensation, payment for services provided to an employer. There are several elements of compensation, including salary, vacation, insurance, hours, travel, relocation, and others that can be used to increase the total value of your job offer.*

KEY TAKEAWAYS

- *Closing should be easy if you have followed Steps 1-5 well. Missing objections or not using active listening to understand your customer's needs are the most common reason salespeople fail to close. **Fear of rejection** also plays a role in salespeople being hesitant to close.*
- *Closing ties to features and benefits—remember to know your **benefits** and sell on benefits versus features.*
- *Closing techniques included **summary** close, **direct** close, **alternative** close, **t-account or balance sheet** close, and **success story** close.*
- *The **Trial close** is an important sales tool as it allows you to “test” whether you have answered objections, have understood your customer's needs, and whether they are ready to move onto a full close.*

PART XII.

FOLLOW-UP

Learning Objectives

1. Describe what follow-up entails and why it is so important.
2. Identify how customer satisfaction relates to customer loyalty.



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=220#oembed-1>

12.1 FOLLOW-UP: THE LASTING IMPRESSION

You have spending power, and lots of it. Millennials (or Gen Y, if you prefer) are estimated to have over \$1.3 trillion in direct spending for apparel, food, music, entertainment, and other products and services in the United States alone.¹ That number is understated due to the influence you have on parents and other older people who seek your tech-savvy advice on all types of products from computers to cars.² You are one of the most sought-after consumer groups around. More sales and marketing efforts are aimed at you than at any other generation. You determine where and when you will spend your money. You have the power.

*So what is it that makes you decide to choose Xbox over Playstation over Nintendo or a Mini Cooper over a Jeep? Of course, the product has a lot to do with your choice. Price is certainly a consideration, but you don't always buy the lowest-priced product or service. It's the ongoing relationship you have with the brand that makes a difference. It's the fact that the company continues to serve up exactly the new products and services you. It's how the company keeps in touch on Facebook, Twitter, email and so on that keeps you engaged in the conversation. When a company makes you feel like they forgot about **you**, it's time to move on and spend your money elsewhere.*

WHAT IS FOLLOW-UP?

Follow-up entails everything that takes place after the sale is closed from getting signatures on all contracts and paperwork to scheduling delivery. It also includes your ongoing relationship with your customer. Relationship is the key word here. If you were involved in transactional selling, only focused on making the short-term sale, you would not be worried about follow-up because someone else in your company would take care of it. You would move on to the next customer. In many retail selling environments, this may be the case. You would not expect to receive a thank-you note from the checker at the grocery store or the cashier at a fast-food restaurant. However, you would expect to hear from a real estate agent who sold you a new home, or from a financial services consultant who is managing your money or a physiotherapist when you have injured yourself.

It's the attention to detail that makes you feel like a valuable customer. Chances are, when you need something else (another house or more money to invest), the first person you will call will be the salesperson who continues to follow up with you. When one of your friends wants to buy a house or invest some money, you will be very likely to go out of your way to recommend your salesperson.

Many companies have a checklist or best practices that are used as guidelines to ensure that all details are covered. This can include dates and timing on delivery of the product or service, scheduling training, generating invoices, sending a welcome package, or all the methods used for a thank you. In the case of complex sales, follow-up may include a transition team with members from both the company and the customer. The transition team may work closely together, including weekly or in some cases daily status calls, to ensure that the transition to the new product or service goes smoothly. For example, the implementation of a new logistics system or software program may require that the old system runs parallel with the new system until all aspects are completely set

1. Donnelly, C. & Scaff, R. (2013). *Who are the millennial shoppers? And what do they really want?* Outlook. <https://www.accenture.com/ca-en/insight-outlook-who-are-millennial-shoppers-what-do-they-really-want-retail>
2. Littman, S. (2008, May 1). *Welcome to the new millennials.* Response Magazine. <http://www.responsemagazine.com/response-magazine/welcome-new-millennials-1192>

up and appropriate training is conducted. This is especially true for products or services like these that have a direct impact on the operation of the customer's business.

WHY FOLLOW UP?

No matter what product or service you are selling, the sales process can be challenging. The selling process starts with prospecting and qualifying (that was six chapters ago!). Depending on the complexity and buying cycle of the product or service, it could take weeks, months, or even years until you close the sale. It takes time, energy, and commitment to get to the point where the deal is done. Some salespeople spend all their time and effort to research the prospect, get the appointment, make the presentation, handle objections, and close the sale—and then expect to collect their commission check. They seem to literally disappear after the sale is completed.³

*Relationship selling doesn't work that way. The relationship really begins with the close of the sale; follow-up is what makes a relationship grow and prosper. Follow-up is how most customers evaluate the performance of the product or service they just bought. How you proactively handle follow-ups will make all the difference in your relationships and your sales. In other words, the best way to make the sale is by the way you handle things **after** the sale.*

Here's the not-so-subtle point here. Even though the sale is closed, you should never assume the sale is closed.⁴ This is especially important when there is a gap in time between the closing of the sale and the delivery of the product or service (as in the delivery of a major software package, installation of new equipment, or bringing on board a new product or service vendor). A customer can have second thoughts, sometimes called buyer's remorse or cognitive dissonance. This is when a customer may think that the decision they made is not the right one. They may be in contact with a competitor, receive additional information, or be concerned that they paid too much, or didn't consider some alternatives properly.

"The period immediately following a sale is what is often called "the honeymoon phase," when there's a certain level of excitement on both sides. The client has just fulfilled a need or solved a problem; your company has closed a deal. But this is also a vulnerable time. Your attitude in this phase can make or break the future relationship with the customer."⁵

PLAN YOUR FOLLOW-UP

While follow-up is the last step in the selling process, it is the step that can have the most impact on your customer so put together a follow up plan well in advance. You worked hard to establish trust with your customer during the selling process. After the sale is the time to put that trust to work and continue to earn it every day. Lip service, saying that you'll do something but not really putting in the effort to do it, doesn't go very far in sales. And just going through the motions will put you farther behind. It may seem more exciting to be working on a new proposal rather than doing follow-up for a sale that has already closed. Think about your follow-up plan with the following five elements in mind:

- 1. Demonstrate your personal commitment and connection to the customer. Start by saying thank you to your customer for their business. A heart of gratitude is the foundation to your follow-up making your customer feel valued and assured in their decision to choose your product or service.⁶ How you follow up*

3. Sales and Marketing Management. (2010, July 30). *The Personal Touch: Make the Sale...after the Sale.* <https://salesandmarketing.com/personal-touch-making-sale-after-sale/>

4. Ibid.

5. Business Development Bank of Canada. (n.d.). *Boost your revenues with effective after sales follow-up.* <https://www.bdc.ca/en/articles-tools/marketing-sales-export/sales/pages/effective-sales-follow-up-5-simple-steps.aspx>

after the sale is a good indication of how you will respond throughout the relationship. Start off on the right foot by sending a thank-you letter. Everyone likes to feel appreciated, especially right after they have made a commitment to spend money. Your letter should be professional, yet personal, and sincere. This is the perfect opportunity to reinforce to the customer that they have made a wise decision.

2. *Deliver as promised.* While you are the person on the front line with the customer, you have a team of people who are responsible for delivering the product or service as specified. “Don’t just check the box,” says executive coach and author Marshall Goldsmith.⁷ Take the time to follow up internally to be sure all the i’s are dotted and t’s are crossed so that your customer’s delivery is flawless. That means taking the time to share details and insights about the customer’s business and preferences with your entire team (whether your team is large or small). There are most likely internal processes for communication and delivery, contracts to be signed, schedules to be communicated, and other operational activities that require the entire team to be working in harmony. You’ll also be surprised to see that everyone involved will add value when each has a connection to the customer. And don’t forget to say thank you to your team. You couldn’t do it without them; share the positive feedback from your customer with the team.⁸ Call the customer to be sure the delivery was made as promised and everything is to the customer’s liking.⁹
3. *Keep the lines of communication open.* Follow-up isn’t a one-time event. Rather, it is an ongoing process that takes place after the sale is closed. Just like when you researched, asked questions, and listened to your customer to learn as much as possible about you might solve their business challenges before they made the commitment to buy, you want to continue to do the same thing as part of your ongoing follow-up. Ask your clients for permission to communicate with them by their preferred method of communication (email, phone, social media, etc.).¹⁰ Believe it or not, some salespeople actually forget to follow up.¹¹ They get so busy with making new proposals and putting out fires that they lose track of time and details. Regular contact helps you understand their needs—focus on high value content such as educational material, guides, articles and information that is useful. Think about what is important to your customer, and make that important to you so that they feel truly values and heard, thus, building trust.¹²
4. *Get feedback.* You have the opportunity to get feedback directly from someone who has engaged with you and the company—ask for feedback. How can a product be improved or features changes or services enhanced? You can do this through email, feedback cards, social media surveys, interviews, or analyzing

6. Sales and Marketing Management. (2010, July 30). *The Personal Touch: Make the Sale...after the Sale*. <https://salesandmarketing.com/personal-touch-making-sale-after-sale/>

7. Goldsmith, M. (2005, February 1). *Don’t Just Check the Box*. Fast Company. <https://www.fastcompany.com/52305/dont-just-check-box>

8. Sales and Marketing Management. (2010, July 30). *The Personal Touch: Make the Sale...after the Sale*. <https://salesandmarketing.com/personal-touch-making-sale-after-sale/>

9. Robertson, K. (2009, November 23). *The Power of follow up*. About.com. <http://entrepreneurs.about.com/od/salesmarketing/a/poweroffollowup.htm>

10. Business Development Bank of Canada. (n.d.). *Boost your revenues with effective after sales follow-up*. <https://www.bdc.ca/en/articles-tools/marketing-sales-export/sales/pages/effective-sales-follow-up-5-simple-steps.aspx>

11. Robertson, K. (2009, November 23). *The Power of follow up*. About.com. <http://entrepreneurs.about.com/od/salesmarketing/a/poweroffollowup.htm>

12. Miller, E. (n.d.). *Why follow-up is important after a successful sale [blog post]*. Sales Ethics. <https://salesethics.net/blog/why-follow-up-is-important-after-a-successful-sale/>

your sales call. Knowing how to improve will increase the opportunity to build the relationship.

- 5. Make your customers into fans. Focusing on your customers' businesses as if they were yours, adding value, and showing your customers that you appreciate their business makes them more than customers—it makes them fans. Fans share stories of their great experiences. Your customers can help you sell with testimonials, referrals, and references. One of the most effective ways to handle objections from prospects is to call on excited and energized customers who are more than satisfied with your product and service. Delighted customers make the best advocates and carry the most weight.¹³ Use customer testimonials as part of your selling presentation, on your company's Web site, and on your professional Web site and social networking pages. In fact, it's a good idea to ask customers to write a recommendation for you on LinkedIn.*

Reward your best customers with special offers and added value such as additional training, additional advertising space or time, or other additional service.¹⁴ While you may extend a special pricing offer, focus on delivering value and giving your best customers the opportunity to experience the other services you have to offer. This lets your best customers know you appreciate their business and gives you an opportunity to move your relationship to the next level by becoming an even more important business partner to them. It is these loyal customers who build your business in two ways. First, they buy more from you because they feel that you are bringing them value in more ways than simply selling a product. Second, when they are loyal customers, they become fans or advocates of your product or service, and they tell their friends about you.

13. Business Development Bank of Canada. (n.d.). *Boost your revenues with effective after sales follow-up.* <https://www.bdc.ca/en/articles-tools/marketing-sales-export/sales/pages/effective-sales-follow-up-5-simple-steps.aspx>

14. Sales & Marketing Management. (2010, July 30). *The Personal Touch: Make the Sale...after the Sale.* <https://salesandmarketing.com/personal-touch-making-sale-after-sale/>

12.2 CUSTOMER SATISFACTION ISN'T ENOUGH

Customer loyalty and retention are the holy grail in sales—and in all areas of business, for that matter. Loyal customers are how successful businesses are built. Not only is it easier to sell more to existing customers, it is financially prudent to do so. Some companies have increased their profit by as much as 100 percent by focusing on retaining an additional 5 percent of customers. Harvard Business says it costs 5 to 25 more times to sell to a new client than an existing client so a big focus should be on retaining existing customers.

FOLLOW-UP, FEEDBACK, AND FANS

Earlier in this chapter, the five elements of follow-up were discussed including getting feedback from customers. This concept is so important, it's worth drilling a little deeper into it. It is loyal customers who buy more from you in the form of more products and services more often. Companies that focus on creating customer loyalty usually invest in developing an effective customer feedback loop, a formal process for gathering, synthesizing, and acting on customer feedback. The most successful customer feedback loops are simple, focus on understanding what is important to customers, and empower front-line employees (i.e., those who interact with customers on a day-to-day basis, such as salespeople). For example, Charles Schwab, an online investment services company, has a process whereby managers review customer feedback daily from comments on the company Web site, transactions, and other communications with the company. Managers and sales reps respond personally to negative customer comments. Simply asking customers what they think can defeat the purpose if companies don't act quickly on the feedback.

ONE SIMPLE QUESTION

Successful companies have found that customers can be more than customers; they can be advocates, supporters, promoters, and fans. It's these passionate fans that not only spend their money with these companies but also tell their friends and ultimately their friends' friends to patronize the company. The mutual admiration of brand and customer starts with the culture of the company. Those companies that not only listen to their customers but also engage them in communities, new product development, and other improvements are the ones that have a maniacal focus on the customer. They get it.

Many companies have found that Net Promoter Score (NPS) is the ideal customer feedback tool because it is simple, keeps the customer at the forefront, allows frontline employees to act, thereby closing the customer feedback loop.¹ Net Promoter Score is based on asking customers the ultimate question: "How likely are you to recommend this product or company to a colleague or friend?" It uses a scale of 1-10. Scores from 0-6 are considered to be negative responses, or "detractors." Scores between 7-8 are neutral, or "passive." Finally, scores of nine and ten symbolize positive experiences and are called "promoters."² It's quick, easy to record and analyze the results and doesn't require a huge time investment from the customer.

1. Markey, R., Reichheld, F. & Dullweber, A. (2009, December). *Closing the Customer Feedback Loop*. Harvard Business Review. <https://hbr.org/2009/12/closing-the-customer-feedback-loop>
2. Fontanella, C. (2022, March 23). How to ask for & actually get customer feedback [blog post]. Hubspot. <https://blog.hubspot.com/service/strategies-to-obtain-customer-feedback>

To implement a NPS, you survey customers and ask them “On a scale from 0-10, how likely would you recommend us to a friend. Tally the scores.

- Promoters (customers who answer with a 9 or 10). These are customers who are advocates or loyal fans who will willingly tell their friends to do business with the company.
- Passives (customers who answer with a 7 or 8). These are customers who might be categorized as satisfied, but do not enthusiastically support the company. They are vulnerable to competitive offerings.
- Detractors (customers who answer with a 0 to 6). These are customers who are not happy and are likely to pass along stories about their bad experiences to their friends via word of mouth or social networking.

Companies usually disregard the passives, subtract the percentage of detractor responses (customers who would not recommend you) from that of the Promoter responses (customers who would recommend you) and the end result is the Net Promoter Score.

Net Promoter Score Example

Assume that Widgets Inc. received the following ratings:

- Promoters (score of 9 or 10) = 60%
- Passives (score of 7 or 8) = 30%
- Detractors (score of 0 to 6) = 10%

The Net Promoter Score for Widgets Inc. is calculated as follows:

- $60\% - 10\% = 50\%$
- Promoters – Detractors = NPS

The Widgets’ company score is low—50% and so there is opportunity for the company to improve, reach out to detractors and learn how to be better and connect with their promoters to see if they can leverage word of mouth and loyalty. Consistently surveying customers and learning about how to improve is helpful and so it is always recommended to leave space on the NPS survey for qualitative feedback about how you can improve. The main purpose of NPS is to evaluate brand loyalty. This is important because, as we have already learned, it is more effective (cheaper) to keep customer than to continually acquire new customers.³ Research from Bain & Company found that an increase in customer retention of only 5% can increase profits up to 95%. So, while you want to attract and convert new customers, retaining and empowering existing customers has an even higher ROI.

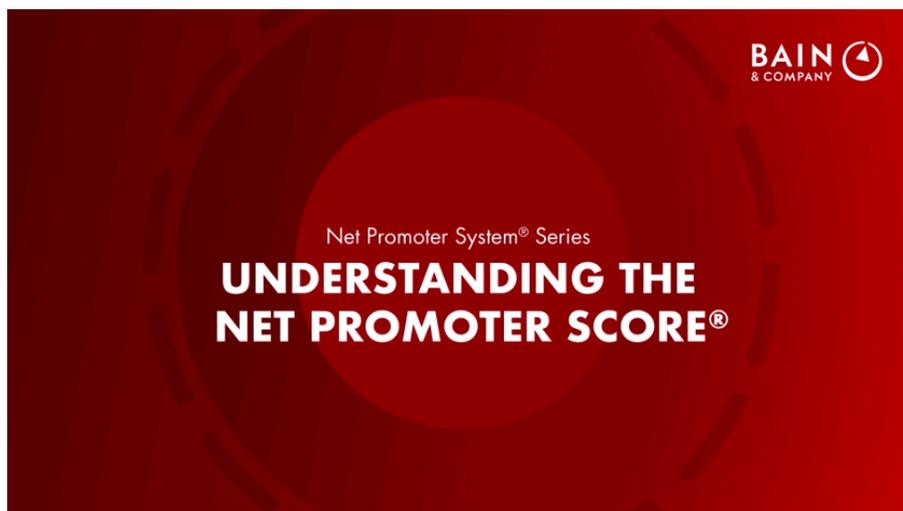
Watch the video Simon Sinek talks culture with Zappos CEO Tony Hsieh and listen to CEO Tony Hsieh talk about why Zappos is a fan favourite.

3. Bernazzani, S. (2021, July 19). *The ultimate guide to your Net Promoter Score (nps)*[blog post]. Hubspot. <https://blog.hubspot.com/service/what-is-nps>



One or more interactive elements has been excluded from this version of the text. You can view them online here: <https://pressbooks.nsc.ca/nscpowerofsellingv3/?p=224>

*Watch the video *Understanding the Net Promoter Score* and learn about how Net Promoter Score changes the way companies do business.*



12.3 REVIEW AND PRACTICE

POWER WRAP-UP

Now that you have read this chapter, you should be able to understand the importance of follow-up on your relationships and sales.

- You can **understand** the role of follow-up in the selling process.
- You can **identify** how to plan your follow-up even before you begin prospecting.
- You can **learn** that follow-up is a personal commitment and has a reflection on you as a brand.
- You can **identify** ways to add value to your customers' businesses as part of follow-up.
- You can **describe** how follow-up can build your business with additional sales from your existing customers, testimonials, and referrals.
- You can **define** heroic recovery and the impact it can have on how customers perceive you.
- You can **understand** how the customer feedback loop works.
- You can **describe** how Net Promoter Score works to improve follow-up and customer service.
- You can **list** things you can do after you accept a job offer.

Exercises

Test Your Power Knowledge (answers are below)

1. How many calls does it take on average to close a sale?
2. True or false: After the sale is closed, the role of the salesperson is finished.
3. What does this statement mean: "Even though the sale is closed, you should never assume the sale is closed"?
4. Name three areas that require follow-up on the part of the salesperson.
5. Identify three ways that you can add value to your customers' businesses during the follow-up process.
6. Name three benefits of having a loyal customer.
7. Describe how heroic recovery can have a positive impact on your relationship with your customer.
8. What is a customer feedback loop?
9. Describe Net Promoter Score?

10. What is the formula to calculate NPS?
11. Identify at least one thing you can do after you receive your job offer but before you start your job.

POWER (ROLE) PLAY

Now it's time to put what you've learned into practice. The following are two roles that are involved in the same selling situation—one role is the customer, and the other is the salesperson. This will give you the opportunity to think about this selling situation from the point of view of both the customer and the salesperson.

Read each role carefully along with the discussion questions. Be prepared to play either of the roles in class using the concepts covered in this chapter. You may be asked to discuss the roles and do a role-play in groups or individually.

Let It Snow

Role: Facilities manager at the Tri-County Office Complex

You are responsible for the overall maintenance at the largest office complex in the area. There are ten office buildings in the complex, which provides office space for thirty companies. You oversee the exterior maintenance, which includes everything from trash and snow removal to lawn care and window washing. You have just signed a contract with All Weather Maintenance Co., two days ago. It's 5:00 a.m., and a major snowstorm just hit, so you are on your way to inspect the property to be sure that the walkways are shoveled and parking lot is plowed.

- What role do you expect the salesperson to play now that the contract has been signed?
- Who will you call if the snow removal is not completed to your satisfaction?
- How will this experience impact your expectations of All Weather Maintenance Co., for other snowstorms and situations that require maintenance, especially time-sensitive maintenance?

Role: Sales rep, All Weather Maintenance Co.

You recently signed your largest client, Tri-County Office Complex. You have a very good relationship with the facilities manager based on the selling process. You have communicated the maintenance requirements to your company's operations department. Now the job is up to them to conduct year-round maintenance. Your normal hours are 8:00 a.m. to 5:00 p.m., but you were concerned about the weather report last night, so you set your alarm early. You wake up at 5:00 a.m. to see a blanket of snow and ice and immediately wonder if the maintenance crew made it to the Tri-County Office Complex.

- What action, if any, do you take?
- What kind of follow-up will you do with the customer?

- When will you do follow-up?
- What will you say to the customer?
- What will you do to ensure that time-sensitive maintenance is completed as expected?

PUT YOUR POWER TO WORK: SELLING U ACTIVITIES

1. *Visit your career center and ask them for information about mentors. Learn how you can get a mentor even before you start your job.*
2. *Identify someone who already works at the company from which you received an offer. Set up a meeting with her before you start your new job to learn more about the company, company culture, and other things that will be important to know for your new job.*

TEST YOUR POWER KNOWLEDGE ANSWERS

1. *Five.*
2. *False.*
3. *Good salespeople help avoid buyer's remorse by following up quickly after the sale is closed and reinforcing the fact that the buyer made a good decision.*
4. *Contracts to be signed, delivery to be scheduled, customer shipping and billing information to be added to CRM system, credit checks, addition of customers to all appropriate correspondence, invoice to be generated, welcome package to be sent to customer, introductions to be made to all appropriate internal people on the team, and status calls to be scheduled.*
5. *Phone and in-person regular status updates, newsletters, white papers, industry information, networking, asking questions, spending time in the business.*
6. *Additional sales from the loyal customer, testimonials to be used in presentations for prospects, and referrals to new customers.*
7. *If a service failure is handled quickly and meets or exceeds the expectations of the customer, it can have an even more positive impact on how the customer perceives the service from the sales rep and the company.*
8. *A formal process for gathering, synthesizing, and acting upon customer feedback.*
9. *NPS is a closed loop customer feedback system that relies on the answer from customers to one key question: "How likely would you be to recommend this product or service to your friends or colleagues?"*
10. *NPS = Promoters – Detractors.*
11. *Say thank you with a personal note to your new boss, continue to do research on the company, dress for success, plan your route, and walk in with a smile.*

KEY TAKEAWAYS

- *Follow-up is what builds a relationship after the sale. You should never assume the sale is closed.*
- *Follow-up should take place regularly so your customer knows they can count on hearing from you.*
- *A personal thank-you note or letter is appropriate after the close of the sale. The letter can also include some operational information such as contact information and receipts.*
- *Follow up to be sure everything is delivered as promised. Do your follow-up inside the company and touch base with the customer to be sure everything is to their satisfaction.*
- *Add value to your customer's business with industry information, white papers, blogs, and newsletters. These bring value to your customer and keep your name in front of them.*
- *Feedback is an important part of follow-up.*
- *Customers can become your best-selling tool with testimonials and referrals.*
- *Customer loyalty pays. It costs more to acquire a new customer than to keep an existing customer.*
- *A **customer feedback loop** is a formal process for gathering, synthesizing, and acting on customer feedback. Customer feedback loops are most effective when front-line employees have the power to respond to customer feedback to turn "critics into fans."*
- ***Net Promoter Score (NPS)** is a closed **customer feedback loop** that is based on the theory that a loyal customer is one that will recommend the brand to their friends.*
- ***NPS** is determined based on a brand's percentage of **promoters** minus the percentage of **detractors**.*

IMAGE LONG DESCRIPTIONS

1.3 IMAGE DESCRIPTIONS

Figure 1.1 image description: The Marketing and Sales: How they work together image describes Marketing and Sales in bullet points with an arrow going in both directions between the two. Marketing is described as:

- *Uses the four Ps (product, place, promotion, and price) to determine the brand message.*
- *Uses the promotional mix (advertising, sales promotion, public relations, direct marketing, interactive marketing, and personal selling) to communicate the brand message to customers.*
- *Motivates customers to take an action, such as going to a store or Web site or calling a phone number*
- *Builds ongoing relationships between the brand and customers.*
- *Interacts with and gets feedback from sales.*
- *Focuses on customer needs.*

Sales is described as:

- *Identifies which customers to engage.*
- *Interacts one-on-one with customers to identify needs and present solutions or opportunities.*
- *Converts interested customers into purchasers.*
- *Builds ongoing personal relationship between the brand and the customer.*
- *Isa the brand in the eye of the customer.*
- *interacts with and gives feedback to marketing.*
- *Focuses on customer needs.*

[\[Return to Fig. 1.1\]](#)

2.1 IMAGE DESCRIPTION

Average salary of U.S. pharmaceutical representatives is a bar chart showing the average salaries from 2016 to 2018 in U.S. dollars. On the Y axis we see Annual salary in U.S. dollars from zero to 175,000. On the X axis we see each year (2016, 2017, 2018) each with three bars showing (in order) Base salary, Bonus/commission, and Total compensation.

For 2016

- *base salary is shown as 93,516*
- *bonus/commission is shown as 35,286*
- *total compensation is shown as 128,802*

For 2017

- base salary is shown as 103,083
- bonus/commission is shown as 35,024
- total compensation is shown as 136,480

For 2018

- base salary is shown as 98,815
- bonus/commission is shown as 36,398
- total compensation is shown as 133,563

Additional information provided: United States: 659 respondents; employed in specialty pharmaceutical sales
[\[Return to Figure 2.1\]](#)

2.2 IMAGE DESCRIPTION

Average annual salary of top earners in the medical sales industry in the U.S. is a bar chart showing the average salaries in 2018 in U.S. dollars. On the Y axis we see Salary in U.S. dollars from zero to 200,000. On the X axis we see three categories (Capital equipment/durable medial equipment, Surgical device, and Biotechnology) each with three bars showing (in order) Base salary, Bonus/commission, and Total compensation.

For Capital equipment/durable medial equipment

- base salary is shown as 88,146
- bonus/commission is shown as 88,577
- total compensation is shown as 167,554

For Surgical device

- base salary is shown as 86,518
- bonus/commission is shown as 92,856
- total compensation is shown as 165,962

For Biotechnology

- base salary is shown as 112,711
- bonus/commission is shown as 55,214
- total compensation is shown as 164,214

Additional information provided: United States: base: 2,793; employed in medical sales
[\[Return to Figure 2.2\]](#)

Figure 3.1 Image Description: What are the main benefits your business hopes to achieve using CRM? is a bar chart showing 11 benefits to businesses using CRM and the percentages by which each improves using CRM. On the y-axis are the benefits, and on the x-axis are the percentages.

1. *Improve customer service shows 74 percent improvement*
2. *Improve customer satisfaction shows 66 percent improvement*
3. *Improve customer retention shows 56 percent improvement*
4. *Increase sales shows 54 percent improvement*
5. *Generate new business shows 53 percent improvement*
6. *Ability to share and distribute data shows 48 percent improvement*
7. *Market products and services more shows 37 percent improvement*
8. *Improve market intelligence shows 29 percent improvement*
9. *Manage customer renewals shows 24 percent improvement*
10. *Reduce costs shows 24 percent improvement*
11. *All of these shows 8 percent improvement*

[\[Return to figure 3.1\]](#)

3.4 IMAGE DESCRIPTION

Figure 3.2 Image Description: Social Style Matrix is a square diagram divided into four equal parts (quadrants). The quadrant on the top left says “Analyticals, They want to know ‘How’”. The quadrant on the top right says “Drivers, They want to know ‘What’”. The quadrant on the bottom left says “Amiables, They want to know ‘Why’”. And the quadrant on the bottom right says “Expressives, They want to know ‘Who’”.

Between Analyticals and Drivers, on the top, is the label Low responsiveness.

Between Drivers and Expressives, on the right side, is the label High assertiveness.

Between Expressives and Amiables, on the bottom, is the label High responsiveness.

Between Amiables and Analyticals, on the left side, is the label Low assertiveness.

[\[Return to Figure 3.2\]](#)

VERSION HISTORY

Selling for Success: 2023 Edition is an adapted version of [Selling for Success 2e: NSCC Edition](#) and [The Power of Selling\(adapted version\)](#) published by BCcampus shared under a [CC BY-NC-SA](#) licence. Both works are based on [The Power of Selling v. 1.0](#) published by Saylor in 2012 under a [CC BY-NC-SA](#) licence without attribution as requested by the work's original creator or licensor. Chapters 4, 14, & 15 are not used in the NSCC editions.

<i>Selling for Success 2nd edition</i>	<i>Selling for Success 3rd edition</i>
<u>Unit 1 The Power to Get What You Want in Life</u>	<u>I. The Power to Get What You Want in Life</u>
<u>1.1 Get What You Want Every Day</u>	<u>1.1 Selling in everyday life</u>
<u>1.2 Selling: Heartbeat of the Economy and the Company</u>	<u>1.2 Selling: Heartbeat of the Economy and the Company</u>
<u>1.3 Selling U: The Power of Your Personal Brand</u>	<u>1.3 Sales Is Not a Department, It's a State of Mind</u>
<u>1.4 Review and Practice</u>	<u>1.4 Review and Practice</u>
	<u>Key Takeaways</u>
<u>Unit 2 The Power to Choose Your Path: Careers in Sales</u>	<u>II. Careers in Sales</u>
<u>2.1 What Does It Take to Be in Sales?</u>	<u>2.1 What Does It Take to Be in Sales?</u>
<u>2.2 Sales Channels and Environments: Where You Can Put Your Selling Skills to Work</u>	<u>2.2 Sales Channels and Environments</u>
<u>2.3 Selling U: Résumé and Cover Letter Essentials</u>	<u>2.3 What Kind of Job Can I Get in Sales?</u>
<u>2.4 Review and Practice</u>	<u>2.4 Review and Practice</u>
	<u>Key Takeaways</u>
<u>Unit 3 The Power of Building Relationships: Putting Adaptive Selling to Work</u>	<u>III. The Power of Building Relationships</u>
<u>3.1 The Power of Relationship Selling</u>	<u>3.1 The Power of Relationship Selling</u>
<u>3.2 Putting Adaptive Selling to Work</u>	<u>3.2 Networking: Relationships That Work for You</u>
<u>3.3 Selling U: Networking—The Hidden Job Market</u>	<u>3.3 Putting Adaptive Selling to Work</u>
<u>3.4 Review and Practice</u>	<u>3.4 The Social Style Matrix</u>
	<u>3.5 What Is Your Selling Style?</u>
	<u>3.6 Review and Practice</u>
	<u>Key Takeaways</u>
<u>Unit 4 The Power of Effective Communication</u>	<u>IV. The Power of Effective Communication</u>
<u>4.1 Ready, Set, Communicate</u>	<u>4.1 Ready, Set, Communicate</u>
<u>4.2 Your Best Behavior</u>	<u>4.2 Your Best Behaviour</u>
<u>4.3 Selling U: The Power of Informational Interviews</u>	<u>4.3 Types of Communication</u>
<u>4.4 Review and Practice</u>	<u>4.4 Review and Practice</u>
	<u>Key Takeaways</u>
<u>Unit 5 Why and How People Buy: The Power of Understanding the Customer</u>	<u>V. Why and How People & Organizations Buy</u>
<u>5.1 Buying 101</u>	<u>5.1 Buying 101</u>
<u>5.2 How the Buying Process Works</u>	<u>5.2 Maslow's Hierarchy of Needs</u>
<u>5.3 Selling U: Developing and Communicating Your Personal FAB</u>	<u>5.3 Business-to-Business (B2B) Buying</u>
<u>5.4 Review and Practice</u>	<u>5.4 How the Buying Process Works</u>
	<u>5.5 Buying Process Meets FAB</u>
	<u>5.6 Review and Practice</u>
	<u>Key Takeaways</u>
<u>Unit 6 Prospecting and Qualifying: The Power to Identify Your Customers</u>	<u>VI. Prospecting and Qualifying</u>
<u>6.1 It's a Process: Seven Steps to Successful Selling</u>	<u>6.1 It's a Process: Seven Steps to Successful Selling</u>
<u>6.2 Prospecting: A Vital Role in the Selling Process</u>	<u>6.2 The Seven Steps of Selling</u>

6.3 Go Fish: Resources to Help You Find Your Prospects	6.3 Prospecting: A Vital Role in the Selling Process
6.4 Selling U: How to Use Prospecting Tools to Identify 25 Target Companies	6.4 Go Fish: Resources to Help You Find Your Prospects
6.5 Review and Practice	6.5 Qualifying Your Prospects
	6.6 Review and Practice
	Key Takeaways
Unit 7 The Preapproach: The Power of Preparation	VII. The Preapproach: The Power of Preparation
7.1 Researching Your Prospect: Going Deeper	7.1 Researching Your Prospect: Going Deeper
7.2 Solving, Not Selling	7.2 Solving, Not Selling
7.3 Identify Pre-call Objectives: Getting Smart about Your Sales Call	7.3 Review and Practice
7.4 Prepare Your Presentation	
7.5 Selling U: Six Power-Packed Tools to Let the Right People Know about Your Brand	
7.6 Review and Practice	
	Key Takeaways
Unit 8 The Approach: The Power of Connecting	VIII. The Approach: The Power of Connecting
8.1 First Impressions Make All the Difference	8.1 First Impressions Make All the Difference
8.2 How to Start Off on the Right Foot	8.2 Dress the Part
8.3 Choosing the Best Approach for the Situation	8.3 How to Start Off on the Right Foot
8.4 Overcoming Barriers to Success	8.4 Choosing the Best Approach for the Situation
8.5 Selling U: What's Your Elevator Pitch for Your Brand?	8.5 Successful appointment making
8.6 Review and Practice	8.6 Review and Practice
	Key Takeaways
Unit 9 The Presentation: The Power of Solving Problems	IX. The Presentation
9.1 Preparation: Your Key to Success	9.1 Preparing for a Sales Presentation
9.2 Dress for Success	9.2 Dress for Success
9.3 Making Your Presentation Work	9.3 Presentation Details
9.4 How to Use SPIN Selling in Your Sales Call	9.4 How to Use SPIN Selling in Your Sales Call
9.5 Putting It All Together	9.5 Review and Practice
9.6 Selling U: Selling Yourself in an Interview	
9.7 Review and Practice	
	Key Takeaways
Unit 10 Handling Objections: The Power of Learning from Opportunities	X. Handling Objections
10.1 Objections Are Opportunities to Build Relationships	10.1 Objections Are Opportunities to Build Relationships
10.2 Types of Objections and How to Handle Them	10.2 Types of Objections and How to Handle Them
10.3 Selling U: How to Overcome Objections in a Job Interview	10.3 Types of Objections
10.4 Review and Practice	10.4 Review and Practice
	Key Takeaways
Unit 11 Closing the Sale: The Power of Negotiating to Win	XI. How to Close
11.1 Closing Starts at the Beginning	11.1 Closing as part of the selling process

11.2 Collaborate to Negotiate	11.2 Closing techniques and how to use them
11.3 Selling U: Negotiating to Win for Your Job Offer	11.3 Trial Closes and Closing challenges
11.4 Review and Practice	11.4 Review and Practice
Unit 12 Follow-Up: The Power of Providing Service That Sells	Key Takeaways
12.1 Follow-Up: The Lasting Impression	XII. Follow-up
12.2 Customer Satisfaction Isn't Enough	12.1 Follow-Up: The Lasting Impression
12.3 Selling U: What Happens after You Accept the Offer?	12.2 Customer Satisfaction Isn't Enough
12.4 Review and Practice	12.3 Review and Practice
	Key Takeaways
Version History	

Chapter Mapping for NSCC Edition

Selling for Success: NSCC Edition	The Power of Selling
Unit 1 <i>The Power to Get What You Want in Life</i>	Chapter 1: <i>The Power to Get What You Want in Life</i>
Unit 2 <i>The Power to Choose Your Path: Careers in Sales</i>	Chapter 2: <i>The Power to Choose Your Path: Careers in Sales</i>
Unit 3 <i>The Power of Building Relationships: Putting Adaptive Selling to Work</i>	Chapter 3: <i>The Power of Building Relationships: Putting Adaptive Selling to Work</i>
Unit 4 <i>The Power of Effective Communication</i>	Chapter 5: <i>The Power of Effective Communication</i>
Unit 5 <i>Why and How People Buy: The Power of Understanding the Customer</i>	Chapter 6: <i>Why and How People Buy: The Power of Understanding the Customer</i>
Unit 6 <i>Prospecting and Qualifying: The Power to Identify Your Customers</i>	Chapter 7: <i>Prospecting and Qualifying: The Power to Identify Your Customers</i>
Unit 7 <i>The Preapproach: The Power of Preparation</i>	Chapter 8: <i>The Preapproach: The Power of Preparation</i>
Unit 8 <i>The Approach: The Power of Connecting</i>	Chapter 9: <i>The Approach: The Power of Connecting</i>
Unit 9 <i>The Presentation: The Power of Solving Problems</i>	Chapter 10: <i>The Presentation: The Power of Solving Problems</i>
Unit 10 <i>Handling Objections: The Power of Learning from Opportunities</i>	Chapter 11: <i>Handling Objections: The Power of Learning from Opportunities</i>
Unit 11 <i>Closing the Sale: The Power of Negotiating to Win</i>	Chapter 12: <i>Closing the Sale: The Power of Negotiating to Win</i>
Unit 12 <i>Follow-Up: The Power of Providing Service That Sells</i>	Chapter 13: <i>Follow-Up: The Power of Providing Service That Sells</i>
	Chapters 4, 14 & 15 – Not Used

SELLING FOR SUCCESS CHANGES

- Videos from original open textbook retained.
- In-text attributions changed to footnotes.
- Missing attribution statements for text and images added.
- Some images removed due to copyright compliance.

- *Long descriptions moved to Long Descriptions chapter at end of book.*
- *Accessibility changes. Images of text converted to tables that can be read as text.*
- *Sections on Review and Practice added from NSCC Selling for Success 2e.*
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