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FastTrac® TechVenture™



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# Strategic Selling

Whatever your sales channel, the sales process will be nearly the same. You should master this process or use an experienced sales manager who will direct this process for you.

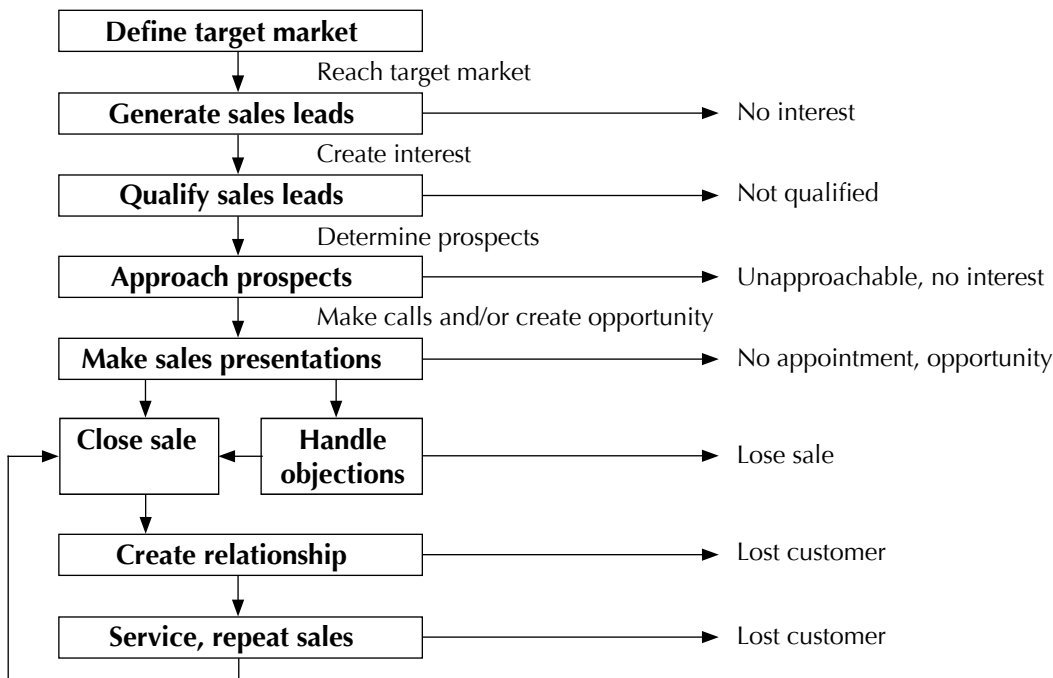
## The Sales/Service Process

The *Sales/Service Process* refers to the steps you take to prospect, sell to, and retain customers. By adapting this process, you can create a pattern to follow, improve, streamline, and replicate successful sales. You can also train others to use the same process. If your sales begin to drop, you can use this process to diagnose whether one aspect or another of your sales process needs particular attention. Planning your sales process will help you address deficiencies more quickly to keep your business running smoothly.

Using the Sales/Service Process illustrated on page 52, determine how prospects in your industry turn into a first sale and then become repeat customers and referral sources. By anticipating each step in the process, you can prepare your approach, learn customer's needs, highlight features and benefits of your products or services, overcome objections, close sales effectively, and build long-term relationships with customers.

**Tip** Periodically document your actual sales process to identify how well you or your sales team follow each step. Determine what changes should be incorporated and define a new sales process.

**A Sales/Service Process**



### **Define Target Market**

Your target market is a specific group of customers you have identified as the best fit for your product or service. Your target market should be relatively easy to enter, offer a significant profit potential, or have competitors with identifiable weaknesses.

### **Generate Sales Leads**

Once you know your target market, consider methods for generating sales leads. You can use marketing to reach your sales leads and generate interest for your products or services. Referrals from your current customers are often the best source of sales leads for many businesses.

Another way to generate sales leads is to join local clubs or networking groups created for business owners or sales people to share sales leads. Chambers of commerce often have several such groups and others are listed in the local newspaper.

You can also purchase mailing lists from list brokers that match your customer profile to generate sales leads. List brokers usually price lists by the number of names and sort them by zip codes or other demographic variables. Find local list brokers in the Yellow Pages or check with sales or marketing organizations for suggestions. You can develop your own mailing lists from Yellow Page listings, professional association directories, or other local sources.

### **Qualify Sales Leads**

In this step of the Sales/Service Process, you determine whether the sales lead matches your customer profile. If leads were generated by a list broker—a firm that gets paid to sort out potential customers in a target area that matches pre-selected demographic variables—or comes your way through a referral, you may consider these leads as potential customers.

If sales leads have not been generated by a professional list broker or referral source, then you will need to develop a process to determine their suitability through further research. Create a set of questions that may help you determine if a lead matches your customer profile and then answer these questions by conducting more market research. This research may be as simple as asking others who may know more about the consumers you are considering contacting.

### **Approach Prospects**

In order to make sales, you have to approach potential customers. For many businesses, this step usually means that the sales representative makes an initial contact with the prospect in person or by phone. If sales is currently one of your responsibilities, you may find that as your business grows, adding someone to your management team to lead the sales effort makes sense.

Prospects may also initiate the approach by coming to your business or by calling, mailing, or e-mailing with requests for information. Part of your Sales/Service Process is creating a standard for greeting prospects, making them feel welcome, and responding to their requests or visits. With some businesses, the prospect is the one initiating the approach. For example, retail stores and restaurants generally have prospects coming to them.

Regardless of who initiates the approach, the objective is to establish rapport with the prospect and determine the level of interest in your product or service. You will spend a great deal of effort, time, and money marketing your products or services. Interacting effectively with prospects is critical to making sales.

## Make Sales Presentation

In this step of the Sales/Service Process, prospects learn more about your products or services and how they align with their needs. Although some sales presentations are pitched formally using a script or pre-determined format, many entrepreneurs have found that using either *consultative selling* or *relationship selling* is more successful. Concentrating their focus on each client's particular situation, needs, and vision, a sales staff can create opportunities to increase business. Consider how your company and product or service can provide meaningful value to a client and include that in the sales presentation.

**Consultative Selling** – In a consultative selling approach, sales representatives diagnose each customer's particular situation and needs. The goal is to find out if the benefits the sales representative can provide match the needs. They ask questions to learn more about the prospects' problems and then collaborate with prospects to consider solutions. This approach is also called *solution selling*. The emphasis is on the prospects' needs and not on the product or service. The sales representative's objective is to provide the prospect a solution with the company's product or service.

**Relationship Selling** – When using the relationship selling approach, sales representatives first focus on building a relationship with a prospect. Once rapport and trust have been developed, sales representatives provide valuable solutions to meet the prospect's needs and problems. This approach is focused on connecting with people profitably, not on persuading them to buy. By creating and nurturing relationships with prospects, sales representatives can build long-term customers and generate more referrals. Recognize that if your product or service does not meet a customer's needs you can create future opportunities by referring them to another product or service that does.

## Handle Objections

During the Sales/Service Process, you might encounter obstacles that could prevent the sale from closing. Customers may express objections to the price, features or benefits, or their perceived need. The best way to prepare for this step is to anticipate possible objections and be prepared to address them.

Use the *Yes, and* technique when prospects raise objections. Agree with the objection (the *yes*) and then offer additional information that will influence the sale (the *and*). Avoid acting defensively. Objections are part of the sales process and provide opportunities to close the sale.

## Close the Sale

The next step in the Sales/Service Process is about recognizing buying signals made by prospective customers and asking for their business. Buying signals may include body language, comments about delivery or quantity discounts, or other statements that show readiness to buy. The best way to close a sale is by asking questions that indicate you are ready for the transaction. If prospects raise an objection, you will need to respond to those concerns before closing the sale. Consider these sample questions for closing:

- "How many cans of paint do you want to take with you today? If you need more to finish painting the fence you can call us, and we'll have it available before you come down."
- "What day would you like it delivered to your home?"

### **Create Relationships**

Although the sales transaction is complete when the prospect buys the product or service, you want to maintain ongoing relationships with your customers. You want customers to buy again. Many companies only focus on marketing to customers and closing sales. Very few businesses concentrate on creating long-term relationships with customers. Several studies have documented, however, that it costs as much as five times more to get new customers than it takes to keep them.

By developing strategies to create relationships with first-time customers, you are more likely to generate repeat sales and referrals. In fact, repeat customers may become a strong competitive advantage for your new business.

### **Service and Repeat Sales**

Depending on your business model, you may perform services after the sale. For example, if a house cleaning company makes a sale and schedules the service, the actual service occurs after the sale. If your business involves service after the sale, take this step even further by contacting customers after transactions are completed to check on their satisfaction and to determine if additional opportunities exist. Most businesses overlook this step and lose repeat sales and referral opportunities.

For many companies, this part of the sales and service process is about being responsive to customers when they contact them. If sales and company representatives respond favorably to customers, they have a higher likelihood for repeat business and referrals. In almost every industry, building a strong business depends on repeat sales and referrals. If current customers and their referrals generated 20 or 30 percent of your company's new business, you would spend less on marketing costs and build a strong and loyal base of customers.