

THE SELLING PROCESS

The process of selling involves the following steps:

STEP 1: PROSPECTING AND QUALIFYING PROSPECTS

Prospecting a potential buyer requires you to **identify and qualify perfect clients for individual contact**. This must be done to ensure you invest time, resources, and effort in engaging with the most promising type of client.

You are encouraged to **use social media, cold emailing, and referral history to create a list of prospective clients for further contact**.

a) The Importance of Prospecting

- Customers switch to other suppliers (numbered)
- Customers move out of your territory
- Customers go out of business
- Customers die
- Customers' businesses are taken over by other companies
- Customers have only a one-time need for the product
- Relationships with some customers deteriorate, and they stop buying from you
- Your buying contacts are promoted, demoted, transferred, fired, retired, or resign.
- You need to increase total sales

b) Benefits of Prospecting

- Generating a continuous flow of sales
- Offsetting the loss of customers
- Helping create a more productive selling environment for you (i.e., the likelihood of your making a sale increases because you are dealing with a qualified- "legitimate"- customer)
- Prospecting, which provides a more enjoyable selling situation (i.e., your qualified prospects need the product).

c) Qualifying: How a Lead becomes a Prospect

A lead points to a potential buyer. Salespeople must qualify a lead in terms of 4 basic criteria that can be remembered by the acronym **NAME**, as follows:

- Need or want
- Authority to buy
- Money or the ability to buy
- Eligibility to buy

Two other qualifying criteria are:

- The **accessibility** of the individual
- The potential **profitability** of the prospect over the long run

d) Prospecting Methods/Sources

- Cold calls
- Present customers
- Other salespersons
- Centres of influence
- Direct mail
- Email
- Internet Websites
- Spotters
- Newsletters

STEP 2: PRE-APPROACH

After locating a prospect, the salesperson should find out his:

- Needs and problems,
- Preferences and behaviour, etc.

The product may have to be tailored to the specific requirements of the customer. Based on adequate information about the customer's wants and desires, a salesperson can **prepare his plan of sales presentation or interview**. The sales presentation should match the needs of the individual prospect. It should enable the salesperson to handle his prospect smoothly through the buying process, i.e., during the sales talk.

Upon composing a list of prospects, the salesperson should get background knowledge on the clients. Doing so will **help to find touchpoints, better explain the offer according to their pain points, and use clear and understandable use cases**.

Then, contact prospective customers and suggest arranging a meeting. Then, **structure a preliminary conversation, forecasting potential customer concerns based on your research**. This will help to lead the talk, unveil the product, and tailor it to the prospect.

a) Planning for the Sales Call: Six Steps to Pre-Approach Success

There are at least six general steps that ought to be considered in preparing for a sales call:

1. Prepare the prospect for the initial sales call
 - "Seeding" - prospect-focused activities carried out several weeks or months before a sales call
2. Sell the sales call appointment by pre-notification via
 - cold call
 - e-mail
 - fax
 - mail
 - telephone
3. Gather and analyse all relevant information about the prospect
 - Gathering information about Consumer Prospects
 - Consumer credit bureaus
 - Market research

- Library sources
 - Gathering information about Organisational Prospects
 - In-house purchasing agents
 - Electronic directories and databases
 - Library sources
4. Identify the prospect's problems and needs
 - Organisational Problems and Needs
 - **SPIN** approach: **S**ituation, **P**roblem, **I**mplication, and **N**eeds Payoff
 5. Choose the best sales presentation strategy
 6. Rehearse your approach

b) Manage Sales Call Anxiety (SCA)

SCA or call reluctance can be attributed to the fear of being negatively evaluated and rejected by customers. SCA has 4 components:

1. Negative evaluation of the self
2. Imagined negative evaluations from customers
3. One's physiological symptoms
4. Protective actions

c) Overcoming sales call reluctance

Many of the barriers to making sales calls can be overcome through the following efforts:

- Listen carefully to the excuses other salespeople use to justify call reluctance and learn to objectively analyse your own excuses
- Use supportive role-playing and discussions with sales colleagues to overcome fear
- Make some initial prospect contacts with a partner for support; then make calls without partner support
- Review and re-enact recent sales calls with sales colleagues to constructively critique performance for signs of progress
- Shift the focus from individual prospect personalities to sales objectives by setting them down in writing before making a sales call
- Rehearse sales calls with sales colleagues to reinforce positive behaviours
- Observe and model the behaviour of successful salespeople

STEP 3: APPROACH

The next step is the approach where the salesperson comes **face-to-face with the prospect**. The approach has two parts:

- Obtaining an interview,
- The first contact.

He may use this:

- Telephone
- Reference or an introduction from another customer
- His business card

The salesperson must be able to **attract the prospect's attention and get him interested in the product**. It is very important to avoid being dismissed before he can present his product.

Strategies for approaching prospects include the following:

1. Non-profit related approaches

- Self-introduction: Smoothly and professionally greet the prospect
- Mutual acquaintance reference: Mention the names of satisfied customers whom the prospect respects
- Gift or sample: Offer a gift, sample or luncheon invitation
- Dramatic act: Do something dramatic to capture the prospect's attention

2. Interest/Curiosity-arousing approaches

- Customer benefit: Offer the customer a benefit immediately
- Curiosity: Offer the prospect a benefit that appeals to the prospect's curiosity

3. Consumer-directed approaches

- Compliment or praise: Subtly but sincerely compliment the prospect
- Survey: Ask permission to obtain information about whether the prospect might need your product
- Question: Involve the prospect in two-way communication

4. Product-related approaches

- Product or ingredient: Show the customer the product or a model of the product
- Product demonstration: Begin demonstrating the product upon first meeting the prospect

STEP 4: THE PRESENTATION AND DEMONSTRATION

The intra-personal selling phase starts once you shake hands with the prospect, either in real life or digitally. Make sure you know everything and beyond about the product, **dedicating enough time to the benefits most crucial to the interlocutor** (person who takes part in the dialogue).

Presenting the product must not be passive. This requires a proactive and unique approach toward each prospect who may be highly interested in the product and can afford to buy it (and become a loyal customer) but may have concerns.

The salesperson at this point can increase the interest through:

- Smart and lively sales talk
- Proper demonstration
- Visual aids are used in sales demonstrations

Having fully discussed what the customer wants, the salesperson knows which **product benefits to stress**. A given product may have a range of potential features which confer benefits to customers, but different customers place different priorities on them.

The presentation provides the opportunity for the salesperson to convince the buyer that they can supply the solution. The key to this task is to recognise that buyers purchase benefits and

are only interested in product features in as much as they provide the benefits that the customer is looking for.

Benefits should be analysed at two levels: those **benefits that can be obtained by the purchase of a particular type of product**, and **those that can be obtained by purchasing that product from a particular supplier**.

The danger of selling features rather than benefits is particularly acute in industrial selling because of the highly technical nature of many industrial products, and the tendency to employ sales engineers rather than salespeople.

For example,

- An estate agent might say, 'The house is situated four miles from the company where you work (product feature), which means that you can easily be at work within fifteen minutes of leaving home' (customer benefit).
- An office salesperson might say, 'The XYZ photocopier allows stream feeding (product feature), which results in quicker photocopying' (customer benefit).
- A car salesperson may claim, 'This model is equipped with overdrive (product feature), which enables you to reduce petrol consumption on motorways' (customer benefit).

Asking questions as part of the presentation serves two functions:

- It checks that the salesperson has understood the kinds of benefits the buyer is looking for. After explaining a benefit it is sound practice to ask the buyer, 'Is this the kind of thing you are looking for?'
- It establishes whether the buyer has understood what the salesperson has said.

Where a presentation is necessarily complicated and lengthy, the salesperson should pause at various points and ask if there are any questions. This gives the buyer the opportunity to query anything that is not entirely clear.

Questioning allows the salesperson to communicate more effectively because **it provides the information necessary for the seller to know how to vary the presentation** to different buyers.

Many sales situations involve **risk** to the buyer and the buyer may play safe, sticking to the present supplier or model in order to lessen the risk of aggravation should problems occur.

There are four major ways a salesperson reduces risk:

- a) Reference selling:** This involves the use of satisfied customers in order to convince the buyer of the effectiveness of the salesperson's product. This technique can be highly effective in selling, moving a buyer from being merely interested in the product to being convinced that it is the solution to their problem.
- b) Demonstrations:** These reduce risk because they prove the benefits of the product. Industrial goods manufacturers will arrange demonstrations to show their products' capabilities in use. Car salespeople will allow customers to test drive cars.

It is advisable to divide the demonstration into two stages.

- The first stage involves a brief **description of the features and benefits** of the product and an explanation of how it works.
- The second stage entails the **actual demonstration itself**. This should be conducted by the salesperson.

Pre-demonstration preparation

1. **Make the process as brief as possible**. Some potential buyers will require lengthier or more technical demonstrations than others.
2. **Make the process as simple as possible**, bearing in mind that some potential purchasers will be less technically minded than others.
3. **Rehearse the approach to likely objections with colleagues** (e.g. with one acting as an 'awkward' buyer). Work out how such objections can be addressed and overcome through the demonstration.
4. **Know the product's selling points** and be prepared to advance these during the course of the demonstration.
5. **The demonstration should not go wrong if it has been adequately rehearsed beforehand**. The main point is not to be caught out unexpectedly and to be prepared to launch into a contingency routine as smoothly as possible.

Conducting the demonstration

1. Commence with a concise statement of what is to be done or proved.
2. Show how potential purchasers can participate in the demonstration process.
3. Make the demonstration as interesting and as satisfying as possible.
4. Show the potential purchaser how the product's features can fulfil their needs or solve their problems.
5. Attempt to translate such needs into a desire to purchase.
6. Do not leave the purchaser until they are completely satisfied with the demonstration. Such satisfaction will help to justify ultimate expenditure and will also reduce the severity and incidence of any complaints that might arise after purchasing.
7. Summarise the main points by re-emphasising the purchasing benefits that have been put forward during the demonstration. Note that we **state purchasing benefits and not sales benefits** because purchasing benefits relate to individual buying behaviour.
8. The objectives of a demonstration should be: (a) to enable the salesperson to obtain a sale immediately (e.g. a car demonstration drive given to a member of the public); or (b) to pave the way for future negotiations (e.g. a car demonstration drive given to a car fleet buyer).
9. Depending on the objective above, in the case of (a) ask for the order now, or in the case of (b) arrange for further communication in the form of a meeting, telephone call, letter, an additional demonstration to other members of the decision-making unit, etc.

Advantages of demonstrations

1. Demonstrations **add realism to the sales routine** in that they utilise more human senses than mere verbal descriptions or visual presentation.
2. When a potential customer is participating in a demonstration, it is **easier for the salesperson to ask questions** in order to ascertain buying behaviour.

3. Such demonstrations enable the salesperson to maximise the 'u' benefits to potential purchasers. In other words, the salesperson can **relate product benefits to match the potential buyer's buying behaviour**.
 4. Customers' **objections can be more easily overcome** if they can be persuaded to take part in the demonstration process. A sale is more likely to ensue if fewer objections can be advanced initially, even if such objections can be satisfactorily overcome.
 5. There are advantages to customers in that it is **easier for them to ask questions** in a more realistic way in order to ascertain the product's utility more clearly and quickly.
 6. Purchasing **inhibitions are more quickly overcome** and buyers declare their purchasing interest sooner than in face-to-face selling/buying situations.
 7. Once a customer has participated in a demonstration there is **less likelihood of 'customer remorse'** (i.e. the doubt that value for money is not good value after all).
- c) Guarantees:** Guarantees of **product reliability, after-sales service** and **delivery** supported by penalty clauses can build confidence towards the salesperson's claims and lessen the costs to the buyer should something go wrong.
- d) Trial orders:** The final strategy for risk reduction is for salespeople to encourage trial orders when faced with a straight re-buy. Buyers who habitually purchase supplies from one supplier may recognise that change involves unwarranted risk. It may be that the only way for a new supplier to break through this impasse is to secure a small order, which, in effect, permits the demonstration of the company's capability to provide consistently high-quality products promptly.

STEP 5: HANDLING OBJECTIONS

A sales agent must be ready to address any concern and potential roadblock, describing clearly how a product deals with it in special (i.e., familiar to the prospect) circumstances.

Objections are **any concerns or questions raised by the buyer**. Many objections are simply expressions of interest by the buyer. What the buyer is asking for is further information because they are interested in what the salesperson is saying.

The effective approach for dealing with objections involves two areas:

- The preparation of convincing answers and
- The development of a range of techniques for answering objections in a manner that permits the acceptance of these answers without loss of face on the part of the buyer.

The following techniques may be applied:

- a) Listen and do not interrupt:** Interruption denies the buyer the kind of respect they are entitled to, and may lead to a misunderstanding of the real substance behind the objection. The correct approach is to listen carefully, attentively and respectfully.
- b) Agree and counter:** The salesperson first agrees that what the buyer is saying is sensible and reasonable, before then putting forward an alternative point of view.
- c) Question the objection.** Sometimes an objection is raised that is so general as to be difficult to counter. In this situation, the salesperson should question the nature of the objection in order to clarify the specific problem at hand.
- d) Forestall the objection:** The salesperson not only anticipates an objection and plans its counter, but actually raises the objection as part of their sales presentation.

There are two advantages of doing this:

- The **timing of the objection is controlled by the salesperson**. Consequently, it can be planned so that it is raised at the most appropriate time for it to be dealt with effectively.
 - Since it is raised by the salesperson, the buyer is not placed in a position where, having raised a problem, they feel that it must be defended.
- e) **Turn the objection into a trial close:** A **trial close** is where a salesperson attempts to conclude the sale without prejudicing the chances of continuing the selling process with the buyer should they refuse to commit themselves.
- f) **Hidden objections:** Not all prospects state their objections. They may prefer to say nothing because to raise an objection may cause offence or prolong the sales interaction. The correct salesperson's response to hidden objections is to **ask questions in an attempt to uncover their nature**.

STEP 6: NEGOTIATION

In some selling situations, the salesperson or sales team has a degree of discretion regarding the terms of the sale. Therefore, negotiation may enter into the sales process. **Sellers may negotiate price, credit terms, delivery times, trade-in values, and other aspects of the commercial transaction.** The deal that is arrived at will depend on the **balance of power** and the **negotiating skills** of the respective parties.

The **buyer's needs, the competition the supplier faces, knowledge about the buyer's business, and the pressures on them** should be estimated.

Other guidelines to aid the salespeople engaged in the negotiation process include:

- a) **Start high but be realistic:** There are several good reasons for making the opening stance high: 1) the buyer might agree to it, and 2) it provides room for negotiation. When considering how high to go, the limiting factor must be to **keep within the buyer's realistic expectations**; otherwise, they may not be willing to talk to the seller in the first place.
- b) **Attempt to trade concession for concession:** Sometimes it may be necessary to give a concession simply to secure the sale. A buyer might say that they are willing to buy if the seller drops the price by \$100. If the seller has left some negotiating room, this may be perfectly acceptable. In other circumstances, especially when the seller has a degree of power through being able to meet buyer requirements better than the competition, the seller may be able to trade concessions from the buyer.

It is sensible, at the preparation stage, to **evaluate possible concessions in the light of their costs and values, not only to the seller but also to the buyer**. The net effect should be that the salesperson is offering a benefit to the buyer at very little cost to the seller.

c) **Implement behavioural skills:**

- I. **Ask lots of questions:** questions **seek information (knowledge is power) and identify the feelings of the buyer**. They also **give control (the person asking the questions directs the topic of conversation)**, provide thinking time while the buyer answers and are an alternative to outright disagreement.
- II. **Use labelling behaviour:** this announces the behaviour about to be used (**leading the labelled person to internalise the label and act in ways that conform to it**). Examples of

labelling behaviour are 'Can I ask you a question?', 'I should like to make two further points' and 'May I summarise?'

- III. **But do not label disagreement:** a likely way of ensuring your argument does not get a fair hearing is to **announce in advance to the other party that you are going to contradict their argument**. Statements like 'I totally disagree with that point' or 'I cannot accept what you have just said' are bound to make the other party defensive.
- IV. **Maintain clarity by testing understanding and summarising:** testing understanding is a behaviour which seeks to **identify whether or not a previous contribution has been understood**. Summarising is a behaviour which restates in a compact form the content of previous discussions.
- V. **Give feelings:** skilled negotiators express their feelings, which makes them **appear human, creates an atmosphere of trust** and can be an alternative to giving hard facts.
- VI. **Avoid counter-proposing:** this is a proposal of any type which follows a proposal given by the other party without first demonstrating consideration of their proposal. Counter-proposing is usually an instant turnoff.
- VII. **Avoid the use of irritators:** these are behaviours which are likely to annoy the other party through **self-praise and/or condescension**. Statements like 'Listen, young man, I think you're going to find this a very attractive and generous offer' are likely to be more irritating than persuasive.
- VIII. **Do not dilute your arguments:** presenting as many arguments in favour of a proposal is the correct way to gain acceptance. The problem is that as more and more points are advanced, they tend to become weaker. This allows the buyer to attack the weaker ones, and the discussion becomes focused on them. Present only a few strong arguments.
- IX. **Avoid personalising the discussion:** negotiations should never get personal. Negotiators should never say '**You're being ridiculous**' or '**Your price is too low.**' Instead, say '**That price is too low.**'

Buyers' negotiating techniques

Buyers also have several techniques that they use in negotiations to weaken the position of the unsuspecting sales negotiator, including:

1. The **shotgun approach** involves the buyer saying, 'Unless you agree immediately to a price reduction of 20 per cent, we'll have to look elsewhere for a supplier.' The correct response **depends on the outcome of the assessment of the balance of power** conducted during preparation. If the buyer does have several options, all of which offer the same kind of benefits as the seller's product, then the seller may have to concede. If the seller's product offers clear advantages over the competition, the salesperson may be able to resist the challenge.
2. The **'sell cheap, the future looks bright' technique**: 'We cannot pretend that our offer meets you on price, but the real payoff for you will come in terms of future sales.' This may be a genuine statement – in fact, the seller's own objective may have been to gain a foothold in the buyer's business. At other times, it is a gambit to extract the maximum price concession from the seller.
3. The **'Noah's Ark'** – because it's been around that long! The buyer says, '**You'll have to do much better in terms of price.** I have quotations from your competitors that are much lower.' The salesperson's response depends on their level of confidence. The salesperson can call the buyer's bluff and ask to see the quotations.

STEP 7: CLOSING THE SALE

Here, a sales rep **focuses on finalising the sale without boring the client with paperwork and the payment process**. A professional salesperson can find an equilibrium between an immediate and an extended closing procedure, providing accurate contracts and invoices.

Usually, it will be necessary for the salesperson to take the initiative to close the sale. This is because no matter how well the salesperson identifies buyer needs, matches product benefits to them and overcomes objections, **there is likely to be some doubt still present in the mind of the buyer**. This doubt may manifest itself in the wish to delay the decision.

Closing the sale asks the buyer to say yes or no. The most important point to grasp is not to be afraid to close. Accept the fact that some buyers will inevitably respond negatively, but be confident that more will buy than if no close had been used.

A major consideration is timing. A general rule is to attempt to close the sale **when the buyer displays heightened interest** or a clear intention to purchase the product.

The salesperson can use the **trial close**. This technique involves asking for the order in such a way that if the timing is premature, the presentation can continue with the minimum of interruption.

There are several closing techniques which the salesperson can use:

- a) **Simply ask for the order:** asking directly for the order, e.g. 'Shall I reserve you one?' The key to using this technique is to remain silent after you have asked for the order.
- b) **Summarise and then ask for the order:** This technique allows the salesperson to remind the buyer of the main points in the sales argument in a manner that implies that the moment for decision has come and that buying is the natural extension of the proceedings.
- c) **The concession close:** This involves keeping one concession in reserve to use as the final push towards agreement: 'If you are willing to place an order now, I'm willing to offer an extra 2.5 per cent discount.'
- d) **The alternative close:** This closing technique assumes that the buyer is willing to purchase but moves the decision to whether **the colour should be red or blue, the delivery should be Tuesday or Friday, the payment in cash or credit**, etc. In such circumstances, the salesperson suggests two alternatives.
- e) **The objection close:** This involves the use of an objection as a stimulus to buy. The salesperson who is convinced that the objection is the major stumbling block to the sale can gain commitment from the buyer by saying, 'If I can convince you that this model is the most economical in its class, will you buy it?'
- f) **Action agreement:** In some situations, it is inappropriate to attempt to close the sale. For many industrial goods, **the sales cycle is long**, and a salesperson who attempts to close the sale at early meetings may cause annoyance. In selling pharmaceutical products, for example, salespeople do not try to close a sale but instead attempt to achieve '**action agreement**' whereby either the salesperson or doctor agrees to do something before their next meeting. This technique has the effect of helping the doctor-salesperson relationship to develop and continue.

Once the sale is agreed, the salesperson should follow two rules:

- They should never display emotions. No matter how important the sale is, and how delighted the salesperson feels. They should remain calm and professional.
- Leave as quickly as is courteously possible. The longer they stay around, the greater the chance that the buyers will change their minds and cancel the order.

STEP 8: THE FOLLOW-UP:

The post-personal stage relies on a salesperson ***following up with a buyer to ensure a smooth introduction and entry to the product, helping them tackle all the issues as they grow familiar with it.*** A salesperson must not leave the client alone after payment – they must onboard the buyer and ***keep the communication pipeline active for issue resolution and customer feedback*** gathering.

The salesperson should ***contact the customer periodically to maintain their goodwill.*** A sale is made not in the mind of the salesperson, nor over the counter, but in the mind of the buyer. A salesperson should have the quality of empathy, i.e., ***reading the customer's mind.*** This will provide the salesperson with accurate information about the buyer's motives, feelings, emotions, and attitude, etc.

This final stage in the sales process is necessary to ***ensure that the customer is satisfied with the purchase and that no problems with factors such as delivery, installation, product use, and training have arisen.***

For most companies, repeat business is the sign of success, and the follow-up call can play a major role by ***showing that the salesperson really cares*** about the customer rather than only being interested in making sales.

The follow-up call can also be used to ***provide reassurance*** that the purchase was the right one. Many customers who suffer from cognitive dissonance are anxious that they have made the right choice.