



**INNOVEST SME**  
Accelerating Small Business



# The Essentials of Sales Methodology

Rick Chisholm and Tala Chisholm

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30/192A Kingsgrove Rd  
Kingsgrove, NSW 2208  
Australia

Phone: +61 2 8007 2907

E-mail: [admin@innovestsme.com.au](mailto:admin@innovestsme.com.au)

Website: [www.innovestsme.com.au](http://www.innovestsme.com.au)

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*Before beginning a Hunt,  
it is wise to ask someone  
what you are looking  
for before you begin  
looking for it.*

WINNIE THE POOH

# PREFACE

Although the definition of a sale is simple enough, the process of turning someone into a buyer can be very complex. It requires you to convince someone with a potential interest that there is something for them in making their interest concrete – something that merits spending some of their hard-earned money.

*In the modern world of  
business, it is useless to be  
a creative original thinker  
unless you can also sell  
what you create.*

DAVID OGILVY



# UNDERSTANDING THE TALK

In this chapter, we will be looking at the types of sales, common sales approaches, and common sales terminology.

Like any profession, sales have their own special vocabulary. There's nothing particularly difficult about the language of sales. Mastering it just takes a little study and practice. Knowing the language will make you feel more confident and prepared to start selling.

## TYPES OF SALES

Here are some characteristics of the different types of sales.

- **Telemarketing.** In theory, the telephone allows you to reach just about anyone on the planet. In practice, however, many people screen their calls and it is often difficult to get through to a real person. If you use the phone for sales, have a brief curiosity-building message ready to leave on the voice mail of potential customers.
- **Direct mail.** Believe it or not, a one percent response rate for direct mail is considered average. Despite these long odds, many companies still rely heavily on direct mail to generate sales.

- **E-mail.** Legitimate e-mail selling is different from spam, the “carpet bombing” approach that sends messages to thousands or millions of people whether or not they have expressed any interest in the product being hyped. If you use e-mail for selling, try to put something in the “subject” line of your message that will attract attention and keep people from deleting the message without reading it.
- **The Internet.** Most companies offer information about their products on their websites, whether or not they actually do any selling online. If you are in person-to-person sales, you need to be very familiar with what your company says about its products online. The growing interest in social networking sites, such as Facebook, offers new opportunities for online sales.
- **Person-to-person.** Most sales are still conducted face to face. When you eat at a restaurant, check into a hotel, or buy bananas in a grocery store, you are the customer in a person-to-person sales transaction. Since this is the most common type of sales, most of this book is devoted to it.

## COMMON SALES APPROACHES

More on the three approaches discussed in this activity:

- **Consultative approach.** This is a long-term approach to sales. It may not lead to sales right away, but by building a relationship with a client it aims to create sales opportunities in the future. The more you learn about a client, the better able you are to

understand the client's wants and needs. It is an approach which depends upon trust – you trust that the customer will see the benefits of buying from you and they trust that you will give them the correct steer. The danger with this approach is that you may spend a considerable amount of time building a relationship and then having nothing to show for it. By building a relationship, however, you increase the chances of large-scale and repeat business.

- **Hard sell.** Many people are turned off by this approach. They consider it too pushy. This approach is used most often with clients who have a hard time making up their minds. It is only advisable to use the hard sell in a one-off setting where time is at a premium – if they don't buy now; you are not likely to see them again. Therefore it is “now or never”.
- **Technical sales.** This approach is used most often with highly technical products and services. Sales personnel need some technical knowledge so that they will be on an equal footing with clients. The client will have a clear idea of what they are looking for, and a checklist of priorities. You will point them towards a range of items which meet those priorities – if not entirely then as well as possible. You may offer a personal opinion based on an understanding that you know what they want and they know you have enough product knowledge to point them in the right direction

## GLOSSARY OF COMMON TERMS

- **Close/closing.** It is the second to last step in the sales process. In this step, the salesperson encourages the customer to sign the order. In the past, salespeople often became pushy at this stage, but customers are more sophisticated these days and they don't respond well to aggressive attempts to close a deal.
- **Cold calling.** The first phone call made to a prospective client.
- **Customer relationship management (CRM).** A system for managing the entire sales relationship with a client. Computerized CRM systems record all customer contacts, purchases, returns, etc.
- **Decision maker.** The person in an organization who has the authority to agree to a sale.
- **Networking.** An increasingly popular method of finding prospects based on referrals and introductions.
- **Prequalifying clients.** Determining if potential clients are actually worthwhile prospects.
- **Qualifying clients.** The process of getting to know potential customers — who they are, what they do, what they need.
- **Sales funnel.** A pattern that describes the conversion of prospects into sales. Many prospects enter the funnel at the top, but only a few are converted to sales. (This analogy is actually flawed because in a real funnel everything that goes in the top

comes out the bottom.) The term “sales pipeline” has a similar meaning.

- **Warm calling.** Calls made after the initial contact with a customer, often in response to a call from the customer.

## **PRACTICAL ILLUSTRATION**

Kim felt out her head with a case of the jitters before she dove into her first telemarketing cold call. She shook in her seat and chomped at the bit and hoped that the call would go well. The ground trembled under Adam’s feet as he approached Kim to offer some sound advice and walked her through her first call. When the phone rang, Kim felt tongue tied and couldn’t get the words out of her mouth. Her coach, Adam, jumped onto the line as soon as he heard and power housed his way through the call and allowed Kim to be a fly on the wall as she heard how to handle a call and not fall apart and wither away due to fright. Kim felt more confident and her voice rose back up in her throat and she felt ready for her first call.

*The concept of “I’ll play it  
by ear” is a guarantee of  
mediocrity at best.*

DAVID A. PEOPLES



# GETTING PREPARED TO MAKE THE CALL

Preparing to make a call begins with learning about your client — specifically, what your client needs, and how you can meet those needs. Before you even pick up the phone you need to have a clear impression of how not only you're opening, but the following few stages of the conversation are going to go.

In preparing this way you will be able to anticipate various reactions from the potential customer – enthusiasm, caution, reluctance etc. – and tailor your responses to their questions or expressions of reluctance. This will ensure that you can mold your selling tactics to get the best results time and again.

As a salesperson, you will be required to make many phone calls to potential customers, whether they are “cold calls” or “warm”. The object of the calls will be to try and get a sales agreement in place as soon as possible, so you need to get as many facts nailed down as possible. Having a pen and paper nearby is obviously handy, and you should then decide on a strategy for going forward with the call. The more you know about the person to whom you are speaking, the nature of their business, and what you can do for them, the better for any eventual sales pitch.

## IDENTIFYING YOUR CONTACT PERSON

There are many ways to find a contact person. Perhaps the most valuable is through networking and referrals. A referral from a third party gives you instant credibility, especially if the third party is well-known and respected by the potential client.

In looking for a contact person, it is often worthwhile to go through a “prequalifying” process. This involves doing some research to determine if the contact is really the appropriate person to talk to and if the contact’s business actually has a need for your products.

There is no point wasting your time chasing contacts that won’t do you any good. Their position in the company and their closeness to the decision maker will decide this. Glean as much information from the third party as is appropriate.

When you first speak to the contact it will be appropriate to let them know who referred you to them:

*“Hello, I’m from \_\_\_\_\_ and I’ve been given your name by \_\_\_\_\_ from \_\_\_\_\_ . I was wondering if you had a few moments to discuss \_\_\_\_\_”.*

By letting them know that you have dealt with and supplied a person they trust, you will immediately become more trustworthy in their eyes. Don’t go straight into a pitch, but make preliminary enquiries to strengthen your sales prospects.

## PERFORMING A NEEDS ANALYSIS

Clients need many more things than you might be planning to sell them. The more you can do for a client, the more you will be seen as a valuable partner. Here are some suggestions about how it might be possible to meet some other client needs:

- **Information.** You might be able to act as a consultant to a client, providing information about the latest developments in your field.
- **Training.** If you provide a product that requires some training, make training part of the package.
- **Financing.** If your company does not provide financing, put the client in touch with banks that do.
- **Community.** Communities often grow up around particular products, especially high tech products. Introduce clients to users groups or trade organizations.
- **Personnel.** You probably know a number of capable people who are thinking about changing jobs. Helping a client find skilled employees can benefit everyone involved. If the people you recommend are hired, they will become some of your strongest advocates.

## CREATING POTENTIAL SOLUTIONS

Providing solutions is a matter of finding ways to address the problems identified through the questions you ask a client. If the client's problems

are fairly simple, you may be able to offer a solution on the spot. For more complex problems, you may need some time to study the situation before you come up with a way to deal with it. In addressing these more difficult problems, you might take the same approach you would use with a problem in your own organization. Assemble a group of knowledgeable staff and ask them to brainstorm solutions. Find the best ideas and implement them. A successful research of the problem will help you build a good reputation.

### **PRACTICAL ILLUSTRATION**

George stumbled into the office with a mountain of files in his hands. Trevor gave him a hand and asked what in the world happened. George pulled out his magnifying glass and inspected the files up close and personal and explained that he wanted research on a potential client to find out what they needed. Trevor explained to George that he didn't have to become a private eye to learn about a client. He had to do to learn the art of conversation and Trevor just so happened to be an expert. Trevor walked George through the ins and outs and they discovered hidden gems about the client without being left to hoist a mountain of files to find it. Trevor showed him how a colorful conversation could gain him a wealth of information without a catastrophe to uncover it.

*Begin at the beginning  
and go on till you come to  
the end: then stop.*

LEWIS CARROLL



# CREATIVE OPENINGS

Starting off on the right foot is absolutely essential in sales meetings. Simple things go a long way toward making a good first impression: looking and acting professional, treating clients with courtesy and respect, and coming up with a creative way to introduce yourself and your company.

Being memorable (for the right reasons) will ensure that your name comes up time and again when possible solutions are being researched.

## A BASIC OPENING FOR WARM CALLS

The first impression people form of you is based on both verbal and nonverbal factors. The nonverbal factors may actually be more important when selling in person. These include such things as:

- Your general appearance: how you dress, personal grooming etc.
- Your facial expression and bearing.
- Your posture.
- Your tone of voice
- Your nonverbal communications: eye contact, nodding, etc.

None of this means that you should pay any less attention to the verbal factors. Pay attention to the language that you use, and ensure that it is appropriate for the circumstances.

As a rule of thumb it is advisable to be as polite and formal as you can be on the first meeting. As a business relationship is established you may find that a natural rapport emerges, but taking an informal approach into a first meeting can make a bad impression and end the potential relationship there and then.

When on the phone, too, pay attention to your “verbal nods”. These are short responses like “Yes”, “Of Course”, “*I understand exactly what you mean*” and so on. At certain points it is beneficial to use these rather than pitching, as they will show the customer that you are interested in finding out where they are coming from.

## **WARMING UP COLD CALLS**

An opening statement should include:

- A greeting and an introduction
- A statement about the prospect
- A statement about the benefits of your product
- A question or a statement that will lead (you hope) to a dialogue

Here is an example:

*“Hello, this is John Jones at Solar Solutions. I saw in the paper that you’re planning a new office building in Smallville. Our company has a product that can cut your heating and cooling bills in half. Have you considered adding solar panels to your building?”*

From this opening you have introduced yourself and what you do, as well as showing that you know something about them. By finishing with a question you invite a response which can then lead to further discussion.

The example above is a basic one which can be tweaked to suit personal style and situations, but serves as a demonstration of a strong, complete opening.

## **USING THE REFERRAL OPENING**

When using a referral, tell the client what their friend found most appealing or beneficial about your product. If you do some research, you can focus on features that the client should also find appealing.

Be prepared to respond if the client says something like, *“Well, Charlie’s business is a little different from mine. He has different needs.”* If you have done some research, you can respond by saying, *“I understand that, but this is what our product can do for you.”*

This allows you to show that your product is versatile but, more importantly, it also shows that you have considered their business needs and how

you can meet them. You are not just trying to badger them into a sale; rather you are showing understanding about their business.

By preparing in this way, you demonstrate your business's strength and credibility and give the person to whom you are speaking reason to consider you as a potential business partner.

You also encourage them to think of you as someone that is worth speaking to on a business level and give yourself more time to build a coherent pitch. You may even find that no pitch is necessary, but it is nevertheless useful to have it in your reach and be able to deploy it.

## **PRACTICAL ILLUSTRATION**

Susan stood at the podium with eyes wide open frozen in time. Susan had a speech to give and couldn't open her mind to the possibilities. She felt like a deer in headlights and had no words. Sarah decided to give Susan a push in the right direction. They grabbed words from a dictionary and Sarah reached into her tool box full of opening lines and had Susan try a few on for size. Susan found one that could grow on her and she practiced saying it, but the cat had her tongue and Susan could feel herself as she sank fast into the land of no hope. Sarah reached further into her box of tricks and found just the right ingredient for Susan to mix in her speech and soon Susan discover she had could cook up a winning recipe for success.

*The key to being a  
professional salesperson is  
not to sound like one.*

JEFFERY GITOMER



# MAKING YOUR PITCH

Once you have made it past the opening, it's time to make your pitch. In preparing your pitch, work on coming up with a clear, persuasive explanation of what your product can do for the client. Be prepared to answer the all-important question that all clients have: What's in it for me?

This is, after all, the basic question in all financial dealings. If you are trying to persuade people to part with money they have earned, you may well need to work to give them reasons to do so. The central point in any sale is getting the customer to see why what you are offering them is better than any competitor's offering, and that you will see that their best interests are served.

When making a pitch it is important to get the balance right between attractiveness and believability. You can promise the earth to a potential customer in order to get them to sign on the bottom line, but if they do not believe you can deliver on what you are offering then it will be completely pointless.

Also, as most deals have a "cooling off" period, the chances are that if you oversell your product they will be dissatisfied and bring the deal to an end before it has had time to become established.

## FEATURES AND BENEFITS

Sometimes the relationship between a particular feature and its benefit seems obvious. For example, a self-setting clock on a DVR has the obvious benefit that you don't have to set the clock. But a salesperson might expand on this benefit by saying something like this:

*“If the power goes out or you have to unplug the DVR, you don't have to read the manual to figure out how to reset the clock.”*

It's a good idea to describe benefits in explicit terms. This is not because customers do not have the intelligence to work it out for themselves, but rather because they will often be looking at a deal from a point of view of why they might be best served by keeping their money in their wallet.

In order to convince a customer to part with their money it is essential to deal with any objections and to make them see how the benefits outweigh the cost.

Therefore, a DVD player that you are selling may be a “multi-region” model. Simply saying that it is “multi-region” is telling them something they can work out for themselves by reading the box. The “multi-region” element of the DVD player is a “feature”.

The “benefit” in this situation is that they can buy DVDs from other countries and play them on the same system. In many cases, DVDs will be cheaper from a different country in a single-region format. Buying a “multi-region” DVD player will save them money, and so is beneficial to them.

It is things like this that make a person purchase a specific item. The question that they may ask on the surface is “*what does it do?*” but the question you need to answer for them is “*what will it do for me?*” One item may have various selling points for different possible purchasers.

It is important to be aware of what tack you should take with each customer. A sales pitch is absolutely not a “one size fits all” matter – for the salesperson or for the customer.

## **OUTLINING YOUR UNIQUE SELLING POSITION**

Some people assume that price is always the deciding factor in purchasing decisions. In fact, these decisions are often based on a variety of factors, such as:

- **Convenience of use:** One of the major attractions in buying any item is what kind of difference it makes to day-to-day life. People will spend money on any number of things to simplify their living situation.
- **Convenience of purchasing:** It may be that a high-value item is just out of a customer’s reach in one payment. In such a case, being able to offer a payment arrangement will often make the difference between the customer signing on the dotted line and them refusing to purchase. Flexibility in other areas is also beneficial.
- **Special features:** Any customer will be keen to get the best they can from a deal, and there are several “informed” customers

who will be keen to make a set stipulation before agreeing to a purchase. Offering them a few extras on the item which will increase the benefit to them is a good way of encouraging them to sign.

- **Availability of service:** The customer doesn't just want to know that they have got a good deal; they also want to know that it will stay that way after they have taken the product home with them. Whether it is in terms of a competent helpdesk telephone number or a dedicated technical department, this is something that will convince the less technically-minded.
- **Need for training to use the product:** More of an issue in terms of corporate sales, but not specifically limited to that field. The more "ready to go" a product or service is, the more immediate the benefit and the more likely the customer may be to purchase it. However, if training is necessary, this can still be a way in to make a sale, as the training can be bundled in with the purchase of the goods at a considerable discount as a way of convincing the customer.
- **Reliability of the product:** An in-store demonstration is as far as you can go to "prove" the reliability of a product. However, guarantees can be given in the shape of a warranty or another; similar agreement which covers the customer should the item not live up to their wishes.
- **Reputation of the seller:** The best demonstration of reputation is word of mouth, but most companies will have promotional

literature, which can refer to easily checkable statistics or include testimonials from past customers. Knowing that customers tend to go away happy sets many people's minds at ease.

- **Friendliness of the salesperson:** It is a cliché, but nonetheless holds true the vast majority of the time. People are far more likely to make a deal with someone who makes them feel as though they are being taken care of. A salesperson who says “Hello” and introduces themselves, and then gives any information in an unfussy, respectful way is far more likely to get a sale than someone who asks “Can I help?” and gives all the appearance of hoping that the answer will be “no” before launching into a very cursory and jargon-filled sales pitch.

Of course price is important. It will frequently be a deciding factor in a purchase, but bear in mind that most people start out with a set budget in mind when looking to make a purchase.

Therefore, as long as the item you are aiming to sell falls within that set budget, you should give as much time to other concerns such as those listed above. Your goal is not a simple, straightforward matter of persuading them to buy from you, but also a matter of persuading them not to buy from someone else.

To make the point clearer, a customer's objections to buying something are not the opposite of their reasons why they should buy it.

It is therefore not the case that you can just reel off a list of reasons why someone should buy something and imagine that this cures their

objections. In reality it is more complicated than that and you need to highlight the positive aspects of the item while dealing with any negatives.

You should also be ready to “sweeten the deal” with reference to many of the above terms. If there is room to maneuver on payment terms, this may persuade the customer that they are getting a good deal. If you can give them a discount on peripheral equipment to increase the benefits of the item they are interested in, this may also work.

## **THE BURNING QUESTION THAT EVERY CUSTOMER WANTS ANSWERED**

Customers are always asking, “*What’s in it for me?*” This is another reason why it is important for salespeople to focus on benefits rather than features. Sometimes salespeople are so enthusiastic about the features of their products that they forget to explain what the products will do for their customers. Customers might not care about all the wonderful features of your products, but they will care about how your products will solve their problems or make their lives easier.

If we suspend disbelief for a moment, imagine that tomorrow someone invented a machine that woke you, got you out of bed, dressed, and fed you before taking you to work and doing your work for you.

If it then took you home in the evening, made you dinner and did all of this while providing sparkling conversation before tucking you into bed at night, ready to repeat the cycle the following day and kept you fit and healthy into the bargain, it would be worth investing in, without a doubt.

But would you buy it if all you knew about it was from a sales pitch which described it as having a “24/7 facilitation setting” and being “usable in a range of locations”?

The technical terms which are listed as specifications in the manufacturer’s literature will certainly be enough to convince people who are technically minded and have been scouring the industry magazines for a period of time looking for the right model, but for many people there is only one question: *“What’s In It For Me?”*

That question should be answered in a few sentences at most, setting the customer’s mind at ease and allowing them to put any follow-up questions that they may have. The likelihood is that they aren’t buying it for any of a whole list of reasons, but for one specific one. The fact that they show some basic ignorance of what else the product does means nothing in terms of their being prepared to pay the agreed price, so battering them over the head with “tech talk” is self-defeating.

## **PRACTICAL ILLUSTRATION**

Annie struggled to find her way through the maze of work in front of her. Annie couldn’t think straight and felt off balance because she didn’t know how to approach the elephant in the room – her sales pitch. She tried and she tried with all her might but couldn’t get lift off on her project and needed help. A seasoned veteran on the sales pitch mound, Joe, came to her rescue and went to bat for Annie in front of the clients. Joe hit a home run on his first pitch and Annie grew proud. Joe went to bat again and gave all the sales figures and the crowd cheered. Again, Joe had hit

the ball out of the park. Annie grew ready and she went in full swing and landed a knuckle ball and sent it roaring past the crowd of clients and the crowd went wild calling Annie the ace pitcher on the mound.

*Big shots are just little  
shots who keep shooting.*

CHRISTOPHER MORLEY



# HANDLING OBJECTIONS

Customers who are not ready to decide on a purchase often come up with objections, statements about what is holding them back. You can overcome these objections if you are prepared to respond to them in a calm, rational way. Often all that customers need is more information to make them feel more confident about their purchase.

In these situations you need to be careful not to start an argument with a customer or belittle the customer's concerns. In fact, you might decide to agree with a customer to a certain point but then show the customer a different way of thinking about the purchase. For example: *"I know that buying new windows is a big investment, but let's look at what you can expect to save in energy costs."*

There is a saying: *"If life gives you lemons, make lemonade"*. Although this is something of a cliché and not 100% applicable, it gives a good example of how you can deal with customer objections by turning them to your advantage.

Naturally, people will be reluctant to part with money that they have worked hard to earn, and will not want to spend without being absolutely convinced that the spending has been worthwhile. This means that

they will be on the look-out for things that will make the purchase less worthwhile. Your task as a salesperson is to hear and understand their objections, but convince them to look at things differently.

## **COMMON TYPES OF OBJECTIONS**

Here are some of the real reasons why people are unwilling to make a purchase:

- They don't have the money.
- They can't get financing.
- They can't decide on their own.
- They think they can get a better deal from someone else.
- They're not sure your product will meet their needs.
- They think your product is overpriced.
- They want to shop around.
- They have an established relationship with another vendor.

Each of these objections has the potential to be the banana skin on which your sales pitch slips and falls. Equally, if you listen to what they have to say and offer a different way of looking at things, they have the potential to be turned into positive reasons for purchasing.

Often from preliminary conversations it is possible to foresee what objection will arise and how to counteract that objection, and by your

command of the situation you can convince the customer that you know what you are talking about.

There is a sense in which sales are all about control. If you fail to produce a counter-argument for one or more of the customer's reasons for not purchasing, then you have conceded control to them and, more importantly, to their pessimism regarding the purchase.

How you handle customer objections can be the major influence on your success in making a sale. Anyone can sell to a customer who is on a mission to make a purchase. Selling to someone who is determined only to buy when they are convinced of a good deal is a far bigger test.

## **BASIC STRATEGIES**

Before you can respond to a suggestion, you need to understand the real reasons behind it. You might discover, for example, that

- The customer can't afford your product.
- The customer doesn't like your product.
- The customer has strong personal ties to another vendor.

In these situations, it is probably not worth responding to a customer's objections. Nothing you say will change the customer's mind. If they cannot afford the product, then they cannot afford it. Short of you giving them the money, you cannot influence that and if you cannot extend the payment terms then there is nothing more to say. If they don't like the product, you can offer alternatives but these may not have much

relevance. If their objection is related to having strong personal ties to another vendor, then they may well already have made their mind up – but it is worth considering an approach based on the idea that a change is often a good idea. These responses are however at best speculative.

If the objections are less “firm” then they do have the potential to be turned to your advantage. If the objection is based on cost, then look at creative ways around that. It may be that they do not want to spend so much in one go.

A payment plan may be the quickest way around this. A certain amount each month might be something they are prepared to do. You can also look at how much money the deal might save them over time. Saying *“Yes, \$300 sounds like a lot, but when you consider how much use you will get from the product and how much it will save you, it works out quite reasonably”* can help. Avoid using words such as “cheap”, as it can be insulting to a customer who is spending a lot of money.

If the customer is reluctant to purchase because they feel that the product does not meet their needs, get their needs ironed out and explain how the product does just that. It may be a good idea to call on your experience and mention that another customer had the same objections, but the purchase worked out for them in the end and now they swear by it.

You can always embellish on a story if you can base that embellishment in something which holds up to analysis. The key point is to emphasize that the product has many more benefits than negative aspects, and to chip away at the negative aspects by presenting ways around them.

## ADVANCED STRATEGIES

Here are some possible questions you might ask in response to customer objections:

- That's more than I wanted to spend.

*How much were you thinking of spending?*

*Do you know about the trade-off between price and reliability?*

- I'm not ready to make a decision.

*What additional information would be helpful to you?*

- I'm not sure this product is right for us.

*What features are you looking for?*

- I'd like to shop around some more.

*What other brands are you considering?*

- I'm too busy to make a decision right now.

*When can we get together when you have more time?*

These questions might not help you close a sale, but they will at least keep the discussion going. It's important not to push too hard with questions like these.

You want to come across more as a consultant than a salesperson. Even though the customer *is* a customer and you *are* a salesperson, if they feel like they are being "sold to" rather than dealt with like a human being, they will be far more likely to walk away from the sale. You need to keep

away from appearing as though you have dollar signs in your eyes. This is where it is essential to maintain a balance between being a salesman and acting as a friend.

Some salespeople make the mistake of trying to be too “friendly” and chatting to every customer as though they were talking over drinks. While this may work for some customers, it will backfire in most situations.

You are in the position of a specialist. If you were about to go in for surgery, you would not want the consultant to look down the list of symptoms and “jokingly” quip *“Do you know any good undertakers?”* While sales and surgery are clearly different, it is worth bearing in mind that the customer is not parting with money lightly.

A salesperson with expertise will turn reluctant customers into happy customers.

## **PRACTICAL ILLUSTRATION**

Eric fell off the sales cliff. He couldn't get one customer to give him a dime and Eric's sales plummeted fast. Without a life raft, Eric swam against the tide to try to save his sales job, Debbie threw out a line to pull Eric back into the sales force and she carried him to the shores toward success by handing him her power house sales skills and chipped away the mountain of rejections he had built that blocked him from great sales. Debbie and Eric destroyed the mammoth barricade in Eric's way while Debbie fed him the right words to use with a client. Soon, Eric became able to climb a hill all by himself and made it past the other climbers to reach the sales mountain top.

*We were born  
to succeed, not fail.*

HENRY DAVID THOREAU



# SEALING THE DEAL

You have worked hard to get your foot in the door, tell customers what your product can do for them, and respond to any objections they might have. Now it's time to seal the deal. Or is it? A good salesperson needs to know when it's time to close and how to go about doing it.

Misidentifying the moment to close can carry numerous problems with it, not least the fact that a customer with extra thinking time can very easily suddenly decide that they are not so interested after all, and a customer who is pressed to complete the deal too early can be left with a negative impression of the salesperson – one which may be impossible to conquer.

The point at which it is advisable to close on a deal will be fairly obvious to any experienced salesperson. The moment will become apparent, usually after you have gone through a typical sales pitch, responded to the potential customer's objections and talked them around, and they have begun to give a positive impression with regards to buying – whether they do this verbally or through their body language and non-verbal comportment.

At this point, you should begin to speak as though they are *going to* buy, while not talking as though they have already bought the product or service.

## UNDERSTANDING WHEN IT'S TIME TO CLOSE

Once you start picking up signals that it may be time to close, you can ask a “confirmation question” such as *“How soon do you need this?”* If the customer gives you a date, you can proceed with the closing. If the customer still has objections or questions, you will have to handle those first.

This process of asking a confirmation question is sometimes called a “trial close.”

The benefit of a confirmation question is that it is something of a “closed question”. That is to say that it does not allow for the possibility that someone will come back and say *“actually, I don't think I want it”*. If the customer is minded to buy the product, then they will already have been eased along the path to purchasing it by a simple question.

Rather than asking *“So, would you like me to package this up for you?”* the confirmation question allows you to garner that information without having to put the customer in a position where they answer a “Yes/No” question.

At this point, it is more than likely that the customer's verbal and non-verbal signals will already have given a big lead as to their intentions. If they are making statements which pertain to where in their house the product would fit, or how they would use the service, then they are clearly already picturing themselves with the item, and they are as likely as they ever will be to be receptive to an attempt at closing.

The nature of your closing technique is important here, but the main thing to remember is that as long as you are respectful to any concerns they may have, you are all but guaranteed the sale.

## **POWERFUL CLOSING TECHNIQUES**

A closing question should give customers alternatives other than yes or no. This approach effectively closes the deal but makes the customer feel that they are in charge.

Some sample alternatives:

- Delivery dates
- Colors
- Models
- Quantity

For example, from the above list of alternatives you can craft a question that does not have a “yes” or “no” answer, allowing the customer to feel that they are in the driving seat while edging them towards deciding what you want them to decide.

Taking each of the above examples consecutively, these questions might go something along the lines of:

Delivery Date: *“So, when were you thinking of having the item installed?”*

Colors: *“We do have a range of colors in which you can have the item – which of these do you like best?”*

Models: *“Well, there is this model, and there is another here with some extra facilities – which of those would you prefer?”*

Quantity: *“How many of these items would you like?”*

It can be tempting to add at this point that other customers have tended to go for this color, or that many items, or to suggest when they could have the item delivered. It is wise, however, to avoid doing this as it looks like little more than over-efficiency and pushy salesmanship. Rather than doing this, you should pause and allow the customer to have the next word.

If they are not a hundred per cent decided on the item and have a follow-up question, they may resent you talking in a way which more or less celebrates the fact that they have decided to spend their money. What they say next will be the springboard for what you want to say, whether it be to formally close the sale or edge them further towards buying.

Remember, they have not bought anything yet, and they are not “other customers”.

## **THINGS TO REMEMBER**

Most people have had a buying experience that they felt good about. They were happy with the product and the terms of the deal. They may

have felt so good about the experience that they told their friends about it and patronized the business again.

Often this kind of good feeling is a result of being treated with warmth and respect by salespeople — before, during, and after the closing. Remember that the impression you make in the closing is the one that will stay with the customer. Try to make the experience as positive as possible. The way that you treat a customer will have a real impact.

This can be very straightforward and simple, and just requires you to be polite and friendly. You should always ask what more you can do for the customer, whether it be something like getting them an earlier delivery than expected, helping them out to their car with the item or just asking them how you can help further.

It may seem like some of the above tips are self-evident, but it is surprising how often customers come away from a buying experience feeling like — although they have completed the transaction as they came to do — they would not be in a hurry to buy from the same place.

All the same, you should not grin like a Stepford Wife when making a sale as this can be off-putting. Just being polite and friendly when closing the sale, and wishing the customer a good day as they leave the store can make a huge difference. What you can do practically, and how you do things, will serve you well in any sale.

## **PRACTICAL ILLUSTRATION**

Margo sped hot on the tail of the biggest sale of her career. Margo could smell victory in the air, but the balloon quickly deflated when the customer on the line changed their mind and Margo left lifeless. Samantha saw the disappointment in Margo's eyes and knew she had to lead Margo down the right track to Salesville. Margo felt thankful for the help and questions quickly stirred around her head as she tried to soak up as much information as she could from Samantha. Samantha put wind in Margo's sails and gave Margo the keys to success and with a pat on her back and a boat load of sales tools, positive attitude, and the drive to go forward, Margo ran off to the races ready to beat her competitors.

*The deepest craving of  
human nature is the need  
to be appreciated.*

WILLIAM JAMES



# FOLLOWING UP

The closing is not the final stage of a sale. The final stage is following up, which is actually a process that may continue indefinitely. This stage may have two valuable outcomes: referrals and future sales.

The nature of a follow-up to a sale will depend on how the sale was carried out. If you sell via mail, then the delivery should be accompanied with a compliments slip thanking the customer for their custom and making clear your hope that you can do more business in the future. If you sell in person, then it can be very beneficial to follow up with a call a few days later asking how they have found the item.

When you carry out the follow-up, it is important to leave the customer feeling like they have been well treated. It is likely that you can think of a case where you have been given excellent customer service – you probably told your friends and family about it, and when you have required anything in the same niche you will have thought immediately of the salespeople that covered your sale and gave you such excellent service before.

You will want to ensure that you receive that level of service again. As a salesperson, this is how you want people to think of you, too. By providing an excellent level of service every time, you will gain more business from the friends and family of that customer, and from the customers themselves.

## THANK YOU NOTES

Thank you notes are a sign that you are interested in building a long-term relationship with a client. They show clients that you value their business and that your interest in them did not end when you closed the sale. We hear very often in this day and age of a lack of politeness and many people decry the cursory way that transactions are carried out. Although almost all companies make a great play of offering “excellent customer service”, there is a world of difference between saying that you offer something and offering it every time.

The effect of a “thank-you note” is to make a customer feel that they have been more than just a number. They will read a thank you note and feel positive about their purchase. It has been proven time and again that we as humans have what people call “sense memory”, where we associate a certain feeling with a certain occasion, incident, or place. If, for example, a certain song was playing at a certain time in our lives, we will always associate that song with that occasion and how we felt at the time.

By the same token, a well-written thank-you note with a personal touch will stand out in a customer’s memory. How you write the note is up to you. Obviously you do not want to spend more time writing thank-you notes than selling, but taking the time out to write one that shows you remember the customer (as opposed to “*Dear X, Thank you for buying Y, we hope it is working well for you. Regards, Z*”) may well be what it takes to encourage them to come back to you when they need something else,

and pass your details on to anyone they know who is planning to buy in the same niche.

Pitching a note at the right level is important. It does not need to measure up to Shakespeare or Oscar Wilde, but at the same time it is important not to write something that sounds as warm and personal as a pre-printed card. A good example would be along the lines of:

*“Dear [Customer’s Name],*

*Thank you for considering us when you decided to purchase a [item] and for choosing us as your vendor.*

*I hope it gives you hours of pleasure and makes your [activity] easier. If there is any way we can help you in the future, with this purchase or another, please do not hesitate to contact me at [telephone number/e-mail address].*

*Thank you again, and kindest regards,*

*[Your name]”.*

The note can be personalized to a greater or lesser extent depending on your area of business.

## **RESOLVING CUSTOMER SERVICE ISSUES**

Providing excellent customer service after a sale is essential to maintaining strong relationships with customers. Starting at the closing, tell customers

that they should feel free to call you any time to discuss any problems or questions related to your products.

If a customer has a problem with a product purchased from you, try to see the situation as an opportunity. If you can demonstrate to customers that you really are committed to helping with their problems, they will think more highly of you, your company, and your commitment to customer service.

This is another example of a way that you can turn a potentially negative situation into a positive one. “Customer Service” is a lot more than just a phrase. When a customer comes to you or calls you, it is important not to simply play lip service to their enquiries.

Should a customer complain to you that a purchase they have made from you is not living up to their expectations; your first response should be to get to the heart of their complaint. Your response should be along the lines of *“Oh, I’m sorry to hear. What is the problem?”* From their response to this, you should be able to think of a few solutions to that.

There are three elements to be taken account of in your response to a customer problem – efficiency, politeness, and thoroughness.

All customers with complaints will want their problem to be dealt with speedily. In doing this you need to find the right balance between “too quick” and “too slow”. Many people take an attitude to problem solving which seems to suggest that the last thing they want to be doing is dealing

with problems as it holds them back from going to do what they consider to be their “real job”.

However, the way that you deal with problems has a real impact on customer retention. It is best to deal with them quickly, but to be fully aware of what the customer wants before going straight into a process of solving the problem.

The above point is linked to politeness – naturally you will want to solve any problem quickly, but if you do not pay attention to what the customer wants and needs, and take the time to apologize for any problems then they will feel like you resent them taking up your time.

Without a reasonable, polite attitude from you, they may well simply wait for their problem to be solved and then take their leave of you. If you are polite and understanding, this will stick in their mind. It is essential to consider that the final impression given to a person is the one that will resonate most. If they have a problem with an item but you solved it, and did so quickly and politely, then it will be the latter fact that stays with them.

The final point is that you must be thorough with your problem solving. From the nature of a customer’s problem you will either know how to solve it so that it does not reoccur, or know someone who will be able to do this.

There is sometimes a tendency to go for a quick fix (*“Have you tried turning it off and then on again?”*) This is far from advantageous, as the chances are that the problem will be back again before too long.

This will not help the customer, and will not help you retain the customer. If you deal with the problem quickly, politely and completely they will be happy to come back again when they have another purchase to make, and their overall impression of your company will be “When I had a problem, they solved it”.

## **STAYING IN TOUCH**

Here are some occasions that might prompt you to get in touch with established customers:

- The anniversary of a sale
- A workshop offered by your company that the customer might find worthwhile
- The customer’s birthday (an especially good idea if you sell life insurance)
- A new product offering
- A sale or special offer
- An upgrade to the product you sold

These occasions can all be marked quite effectively on a computer-based calendar and reminders can be sent to you via e-mail. This will allow you

to then contact the customer and ask them a few questions in regards to how the product is working for them and so forth.

Showing that you remember them even after a year, or that you recognize the proximity of a special date for them, demonstrates a personal touch in how you deal with customers, a touch which will mean a lot to them.

The most effective way to stay in touch with a customer is to retain certain information on them which can then be sent through the post or e-mail to alert them of another potential purchase they could make.

It is likely that your sales niche will contain a number of different sections itself. Once you know what they have bought before, you will understand more about where their needs are and be able to point them to a new purchase that you think will help them.

The key is not to contact them with a straight sales pitch right away – unsolicited sales pitches are rarely welcome – but to alert them to something that they might be interested in. By doing this you give them a chance to make a purchase without putting excessive pressure on them.

Staying in touch with a customer can have a range of benefits from the simple fact of keeping yourself in their mind if they should have another purchase to make, to putting the idea of another purchase into their head.

It is a form of advertising, with the benefit that there is already a link between yourself and the customer. If you can keep a personal touch in the contact that you make with the customer this is all the better, as they

will remember that you did and think of you as a person to do business with.

## **PRACTICAL ILLUSTRATION**

Kate lost her marbles and ran out of words as she made thousands of phone calls one right after the other. Kate knew there had to be a better way. She remained fresh out of thank yous and barely had the strength to lift the phone once again. Matt heard her dilemma and ran to his desk to snatch paper and pen to save Kate from herself. Matt informed Kate that she had the wrong idea in her head and that the key to maintaining a long list of happy clients laid hidden in the ink of her pen. Matt told Kate to write a thank you note instead of calling each client because would make Kate the brightest star in the sky and saved her from losing her head after making unnecessary phone calls.

*We find no real  
satisfaction in life without  
obstacles to conquer and  
goals to achieve.*

MAXWELL MALTZ



# SETTING GOALS

If you want to accomplish anything important in life, you need to have goals. Goals give you something to shoot for. They keep you focused and motivated. They let you know when to celebrate and when to start shooting for something higher.

Goals are a part of all human endeavor – both in the workplace and in life in general. We measure ourselves by how we do in relation to the goals we have set ourselves and those we have set for us by management. By achieving a goal consistently we can benefit in a number of ways – we will gain recognition, potentially advancement within the company, and frequently will benefit from financial incentives.

So, we know the benefits of reaching goals – but there is more to goals than what happens when we attain them. When we are set goals, they are usually set at a reasonable but challenging level and we will be able to achieve them if we do our job well enough.

Although we should all be well motivated to do our jobs anyway, the presence of targets keeps us “honest” and encourages us to always make as much effort as we can possibly make. Therefore sales targets have a dual effect – the incentive of what happens if we reach them, and their simple presence both make us work harder than we ordinarily might.

## THE IMPORTANCE OF SALES GOALS

Getting things done begins with setting goals.

- **Goals provide direction.** They help everyone in an organization focus on things that are truly important. Without goals, people are more likely to waste time on random activities that are not worthwhile.
- **Goals should be ambitious but realistic.** If you set goals too low, they will not inspire you to do your best. If you set them too high, you will probably not reach them, and you will end up just being discouraged.
- **Goals clarify everyone's role and responsibilities.** Each member of a team has individual goals that contribute to the team's overall goals. Setting individual goals avoids duplication of efforts and makes people feel personally responsible for their work.
- **Goals can be motivational tools.** It is difficult for people to feel inspired about their work if they feel they are just doing the same thing day in and day out, with no end in sight. Goals give people the feeling that their work is contributing to something larger, something worthwhile.

The benefits of goals are clear; it is how you react to the presence of sales goals that will mark how well you do as a salesperson. The idea of having goals is that they should be something achievable while not being easy.

If you can attain your goals while working on auto-pilot, then the motivational impact of having them in the first place is somewhat lost. At the same time, if the goals set for you are too extensive, there will be at best a limited chance of you achieving them, and the overall effect will be a de-motivating one as nothing you do will be quite enough to see you attain them.

Goals also need to mean something. If your sole reward for attaining a goal is to simply know that you have achieved it, then it will have limited impact on your motivation. You probably already know that you *could* attain these goals, but if there is no material reward for so doing you may be left wondering why you actually bothered.

For this reason, most companies will have an incentives package which pays out when you meet your goals, and this will focus the minds of even the more cynical salespeople. The benefit of targets for salespeople is that they make a belt-and-braces approach – motivating those for whom achievement is its own reward, and those who expect more tangible, material rewards.

## **SETTING SMART GOALS**

SMART goals are:

- **Specific.** Goals should be well-defined and clear to you and your coworkers.

- **Measurable.** Goals might include milestones that help you measure your progress and make sure you are on the right track. The goals themselves should also be measurable.
- **Achievable.** Goals should be based on a knowledgeable assessment of what is possible. Unattainable goals discourage rather than encourage.
- **Relevant.** Goals should reflect the basic values and mission of your organization, and they should be directly related to your vision of success.
- **Timed.** If you do not have a timetable for reaching goals, you will not feel a sense of urgency about them. It is natural for people to devote most of their effort on any given day to things that have due dates.

The best goals are simple, one-sentence statements that anyone can understand. When setting goals, fewer words are better. Setting too many goals can be counter-productive. Focus on goals that will have the greatest impact on achieving your vision of success.

Some companies, knowing that goals are a significant motivational tool, really go overboard when setting them. They will give their staff targets on several different measurements – some of which will contradict the others.

It is also fair to say that an important element of setting SMART goals is calibration. There is every chance that targets will be set for the first

month that are either too easily achieved, or too difficult. By looking at how people have performed in relation to their targets, it is easy to see whether they have been set too high or too low, and the targets can then be adjusted.

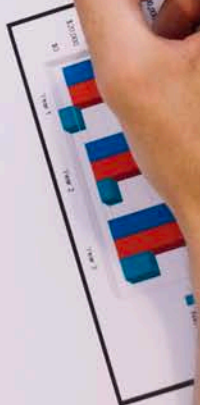
It may take a month or two to get targets to the right level, as it is important to avoid over-correction. Once this is done, you should have a set of achievable but challenging goals which will bring the best out of staff and provide a motivated working environment.

## **PRACTICAL ILLUSTRATION**

Chris burnt rubber, but got nowhere fast. With no goals in his mind, Chris just spun like a hamster on a wheel all through his workday. Caroline, his boss, noticed that Chris had no clear path to get ahead at work so she knew the time had come to lead Chris down the right path. Caroline helped Chris put one foot in front of the other and kept his eye on the prize and taught him not to lose sight of his goals. Chris landed on the fast track that head down a clear lane and beat one goal after another until he sped past them all and made room for bigger goals and put on his running shoes to leave them in the dust because he now had a clear vision of which direction to head.

*If a cluttered desk is the  
sign of a cluttered mind,  
what is the significance of  
a clean desk?*

LAURENCE J. PETER



# MANAGING YOUR DATA

Salespeople collect an enormous amount of information during the course of a day: names, phone numbers, e-mail addresses, employers, interests, and more. Managing your data will help you work more efficiently and make it easier to keep track of your clients.

The developments in information technology over the past decade or so have made this kind of record keeping so easy that it is now simply not worth *not* doing it. Most ready-to-go software packages on personal and business computers will come with an easy-to-use spreadsheet and database package, which will allow you to collate all information that you need. By doing this you will be able to search for any information you need.

The more information you can keep on customers, the more effective your record-keeping will be and the more synergistic your customer services can be. By having contact information and personal details about customers, you will be able to alert them to deals which may be beneficial to them.

As computer software becomes more and more innovative and intuitive, we are able to set up reminders that will alert us to something which may

be beneficial from a selling point of view. It is not just a case of record-keeping, but more of information management. Not only do you want to make sure you have the information, you also want to ensure you are using it correctly.

## **CHOOSING A SYSTEM THAT WORKS FOR YOU**

Whatever data management system you choose, you need to make it a part of your daily routine. Novice salespeople often make a couple of rookie mistakes:

- They rely on their memory to keep track of important information. With the number of things they have to keep track of on any given day, they are bound to forget something crucial.
- They write important information on scraps of paper, legal pads, or sticky notes and then have to hunt for a phone number or an email address.

These bad habits waste time and might actually lose prospects. Important information should be entered in your data management system on a regular basis. If it sits on your desk or in your car overnight, you might have a hard time finding it in the morning.

For this reason you should have a more coherent data management system. Many people will actually have a dual system, which contains both a computer- and paper-based element. A good desk diary costs very little from any stationery store, and will contain sections for entering reminders based on dates, along with a section for contact information.

A computer-based data management system will usually make use a dedicated sales data system which allows you to keep a strong database of information, which is stored in columns and highly searchable.

If you are looking for information on customers who have bought certain products, are of a certain age, or have other specific needs it will all be easy to find. This way you can keep track of your prospects and contact them with any information that you think will be beneficial to them and perhaps encourage them to make a purchase.

If you keep and manage your information on customers, it allows you to sell in a more streamlined manner. Customers appreciate being kept abreast of the latest developments, and as long as it is relevant to their needs they will respond to your contact in a way which will keep your sales numbers high. It may seem like it takes an unnecessary amount of time to maintain records, but the amount of time it will save you when it comes to trying to recover information really makes it worthwhile.

## **USING COMPUTERIZED SYSTEMS**

Useful features of computerized contact management systems:

- They provide quick, easy access to information.
- They offer search capabilities.
- They help you manage your daily activities.
- They interface with other computer programs, such as Microsoft Office.

- They can be used to generate activity reports.

Some disadvantages:

- They are expensive.
- They require training.
- In some cases, they may actually be less efficient than paper systems.

The many advantages of these systems usually mean that they are highly beneficial to a salesperson. Some people find it difficult to put all their trust in a computer system, particularly with the horror stories about computers losing all their information, but as long as information is backed up with a decent desk diary there should be little problem.

The efficiency of a good computer data management system allows a salesperson to find the information they need with a few clicks of a mouse.

It is easy to set reminders using such a program. The benefits of setting reminders are clear. When you arrive at work in the morning, all you need to do is sign into your computer to see the reminders you have set for the day. By following up on your reminders you will then be able to set your schedule for the day.

There is some debate about the worth of expensive computer data management systems, with many feeling that they are unnecessary in an environment where it is possible to keep information in a paper diary.

However, in a computer system which is linked to a central mainframe, the benefits of the computerized method are clear. It allows you to access your information from any computer in the office (and usually from a personal computer), which is endlessly helpful for the salesperson on the move. Although these systems tend to cost money, their efficiency can see them pay for themselves within a very short time.

Although some training is often required, this will have the benefit of getting all of the staff in a company on the same page.

## **USING MANUAL SYSTEMS**

Advantages of manual contact management systems:

- They are easy to use.
- They require no special training.
- They are inexpensive.

Some disadvantages:

- They have no search capabilities.
- They are more difficult to share with coworkers.
- In some cases, they may be less efficient than computerized systems.

One of the major benefits of a manual contact management system is that it can be maintained in exactly the way that a salesperson wishes to use it. While computerized systems are fairly rigid in how they maintain

information – taking the “path of least resistance” by not being especially suited to any one method of working, and therefore not specifically unsuited either – a manual system will allow a person to keep their records in a way that suits them.

It is also the case that anyone can buy a cheap paper diary in a stationery store and maintain it without any training.

There are, of course, limitations to a manual data management system, not least of which is the fact that it depends upon being operated by either the person who maintains it or someone who is party to the way they do things. Something as basic and seemingly irrelevant as the clarity of a person’s handwriting can make a system hard to follow.

Additionally, there is another sense in which manual data management systems are slow and inefficient. While computer-based systems can store their information on a central mainframe, a manual system can only be kept in one place. If it is locked away in a desk drawer, it is locked away in a desk drawer.

The best bet for any salesperson looking to maintain a records system is to have both systems in operation. A desk diary can have the benefit of being an easy reference point for the individual salesperson, while the greater interactivity of a computer-based system means that the entire staff can be on the same page – so even if a certain salesperson is not present in the workplace on a given day, the information they have collected will still be available so that the sales force is not hamstrung by their absence.

## **PRACTICAL ILLUSTRATION**

Evan looked like a rolodex with numbers and addresses that leaked from every pore because he had no clue where to store that information. Barb grew concerned that all the information felt too heavy a burden that weighed on Evan's mind. Evan needed a hero to come in and show him how to find a new home for all the digits that drained quickly out of his brain. Barb knew just the kind of hero he needed. Barb rushed over and caught some of the spewing information and promptly emptied it right into the brains of the computer and made a nice neat electronic filing system for the numbers and addresses to call home. Evan stood in shock with relief plastered all over his face that covered the points where the data had once lived. Evan became lighter on his feet and danced his way to efficiency.

*Plan your work for  
today and every day.  
Then work your plan.*

NORMAN VINCENT PEALE



# USING A PROSPECT BOARD

A prospect board is a powerful tool that can help you track prospects and manage your time. It is basically a way of showing where each prospect is in the sales process at any given point in time. It allows the salesperson to see where more work is needed, where a sale is near to completion, and how many sales are currently on the agenda.

By using a prospect board it is easy to monitor at a glance where work is needed and how you can best utilize your time in the sales field.

Setting up a prospect board is not dissimilar to having a stats board in the office detailing every salesperson's performance. From a glance at the board it is possible to not only read the current state of play but also to gain some sense of motivation from seeing the work that needs done.

If you can see that one deal is near to being closed, then it can be an encouraging document of how much has already been done and a reminder that there is only a small amount remaining to be done – an encouragement to get that work done today. If there is quite a lot of work still to do to get a sale, it can encourage the salesperson to ensure that that work gets done as soon as possible.

## THE LAYOUT OF A PROSPECT BOARD

To use the prospect board, create a card for each prospect. Begin by placing the card in the left column and then move it to the right as the sales process moves forward.

### Prospect Board Layout

<b>O (Opportunities)</b>	<b>FA (First Appointments)</b>	<b>25%</b>	<b>50%</b>	<b>90%</b>
Lead or referrals yet to be called	Appointment set but prospect has not yet been met	Met at least once. 25% chance of closing deal within a month or two	50% chance of closing deal within a month or so	90% chance of closing within one or two weeks

### Column descriptions:

- **O (Opportunities):** People you are about to call, or people you have tried to call but haven't spoken to.
- **FA (First Appointments):** People with whom you have made appointments. You should set a goal for always having at least a certain number of cards in this column.
- **25%:** People you have met once and have a 25% chance of buying within a month or two. These people have expressed some interest in your product, but you haven't made a formal presentation to them.

- **50%:** People who have a 50% chance of buying within a month or so. These people are interested in your product but may need approval or may need to check out other vendors.
- **90%:** People who have a 90% chance of buying within a week or so. These people want to buy, but they may be waiting for money to be available or for their delivery schedule to be compatible with yours.

As the card moves across the columns, it provides a document of how well the sales force is doing. From the beginning you can see how much work needs to be done. If there are a lot of cards in the left-hand column it is certainly not a sign that work has not been done.

Rather it is a demonstration of how many opportunities there are to be taken advantage of. Then in the First Appointment column you should always have a certain number of cards, demonstrating that calls have been made and encouraging early feedback has been gained. For any salesperson or sales-force, the important thing to look out for is a lack of movement. If a card stays for too long in one of the middle columns, it is a sign that not enough is being done to bring a sale to its conclusion.

All sales forces will be keen to move the cards to the right as efficiently as possible, and by looking at the board they can see what they have to do. Just like with any stats board, the prospects board will alert both the sales force and the management to what needs to be the area of focus for a given week.

If sales are in the pipeline but yet to be completed, the prospects board will give a clue as to what the next step should be in order to advance things further. The prospects board encourages competition among the sales force, and allows individuals to motivate themselves. When you can move a card to the right, it will show you that you have made significant progress in a deal.

Just as in sport, when a competitor has had difficulty in scoring, winning or doing what they need to do, a bit of positive news can inspire them towards putting good results together. The same thing is true of sales prospects – if you have found that there has been some difficulty in advancing prospects, and then when you get one positive result you will find that others follow on from it due to the boost in confidence.

## **HOW TO USE YOUR PROSPECT BOARD**

To use the prospect board, create a card for each prospect. Begin by placing the card in the left column and then move it to the right as the sales process moves forward. There will be fewer cards as you move from left to right across the board. To keep the board active, you have to keep adding cards to the left (Opportunities) column.

<b>O (Opportunities)</b>	<b>FA (First Appointments)</b>	<b>25%</b>	<b>50%</b>	<b>90%</b>
Lead or referrals yet to be called	Appointment set but prospect has not yet been met	Met at least once. 25% chance of closing deal within a month or two	50% chance of closing deal within a month or so	90% chance of closing within one or two weeks

Every card should be dated, and the status of each card should be reviewed on a daily basis.

If a prospect makes it clear that they are not going to buy your product, remove their card from the board. To be effective, the prospect board must reflect realistic chances of making a sale.

The reason that the prospect board works is because it gives a live demonstration of where the chances of a sale are. Therefore there should be traffic through the different stages of the board on a more or less daily basis. As sales are made, their cards are taken off the board. As sales are missed, those cards are also taken off the board. These cards should, in any successful sales office, be replaced with new prospects.

When new cards are added to the left-hand column, there should be a lot of effort made to get them into the neighboring column as soon as possible. The traffic through the board will be monitored on a daily basis, and if there is any sign that a card has remained too long in its present column it will be the source of questions from management. The

message for salespeople with regard to the board needs to be “keep the cards moving”.

Salespeople watching the prospects board know which prospects belong to them, and what is required of them to get the cards to move from left to right. It is a way of knowing how much has been done and how much remains to do, and prevents them from forgetting about a prospect who may have gone slightly “cold”. Sales is a process that requires constant effort, and with the financial rewards available to a good salesperson it is important to maintain your concentration on every live lead you have.

## **A DAY IN THE LIFE OF YOUR BOARD**

Events that will lead to changes on the prospect board:

- Phone call to a client setting a date for a meeting.
- Meeting with a prospect.
- Email from a client indicating they are ready to go ahead with a purchase.
- Indication from a client that they are not interested in your product.

Each card should have a date indicating the next appointment or the next action you will be taking. These dates should be stuck to religiously, and updated if any changes occur. Although this may seem somewhat laborious, it allows you to know at any given time what the situation is with a certain client and to access any information that you need. The

more conscientious you are when updating information, the less work you will have to do “on the spot”.

Speaking to customers is a lot easier when you are fully up to date on the situation.

Updating the information you have also prevents you from chasing dead leads and going over old ground with customers who have already declared an interest. Doing either of these things will frequently lead to a customer becoming frustrated, causing you to need to carry out remedial action if you want to keep control of the sales process, or turning someone who is currently reluctant to become a customer into someone who would rather do business with any of your competitors.

Maintaining your prospect board information will ensure that this never needs to be the case.

Finally, the prospect board should move smoothly day by day as you look at it. It forms a vital part of the record-keeping in any company where sales are a major part of the business, and allows you to maintain information which could be required at short notice. As a way of maintaining information and generating enthusiasm within the sales force, a well-updated sales prospect board is absolutely invaluable to any sales force.

## **PRACTICAL ILLUSTRATION**

Tina lay buried under a mountain of trash in her cubicle that looked like the city dump. Tina had no organizational method in place for all the

papers she collected. Tina's boss, Dee, stood floored by the circus that Tina's mess became and informed Tina that the millions of paper she collected belonged out with the trash or on a prospect board. Tina's curiosity piqued and she raised a curious eyebrow and thought about the idea of shiny new board in her cubicle. Tina decided a board to be the next best thing since sliced bread; Tina agreed to use a prospect board for her mega collection of scraps. Together, Tina and Dee shoveled all the papers to one side and studied them piece by piece until they decided which ones to keep and place on the new clean board. Tina became a reformed office hoarder.

*I know of no more  
encouraging fact than the  
unquestioned ability of a  
man to elevate his life by  
conscious endeavor.*

HENRY DAVID THOREAU

# CLOSING THOUGHTS

- **Henry Ford:** If you think you can, or if you think you can't, you're right either way.
- **Robert Frost:** By working faithfully eight hours a day you may eventually get to be boss and work twelve hours a day.
- **Robert Orben:** Every day I get up and look at the Forbes list of the richest people in America. If I'm not there, I go to work.



**Rick Chisholm** made history when he single-handedly changed the professional Audio Visual industry by breaking all the rules and capitalised over 50% market share in Australia with very little capital, no partners, mergers or lenders and set up the first franchise operation of its kind in the world in the late 1990's and early 2000's.

As a 7x founder of companies and 30x businesses such as Innovest, AI Machine, Lightsounds, LSW, Light Emotion with revenue in excess of \$300 million and having employed more than 1,000 staff over the last 35 years. Rick is known as the Start-Up and SME Guru and is Author of a number of books including Business Success for Life. Unlike many mentors, he actually walks the talk and has a number of businesses under management in such areas as Automation, Events management, Importing, Distribution, Retailing and E-commerce.

His BIG passion is Business Education empowering Businesses Owners through knowledge and skills. Whilst Rick has experienced great success, he has also endured many failures. Rick has faced and overcome the exact same challenges you are facing now.



**Tala Chisholm** is an SME specialist who has owned and managed several small to medium sized businesses in the last 20 years, several of which were eventually sold. She has extensive experience in the fields of retail, franchising, licensing, dealerships, education, importing, distribution and consulting.

Her expertise lies in building and implementing customised cross-platform database and software solutions for businesses, automation, IT, web marketing, advertising, graphic design, business administration, process refinement and implementation. Her business experience ranges from bricks-and-mortar Giftware retailing to highly technical fields such as Security, CCTV, Entertainment Lighting and Audio sales, hire and installations as well as e-commerce.

Throughout her career she also trained and mentored Franchise business owners as well as internal division managers. Some areas of training included retail operations, management practices, business strategy, accounting, cash-flow, marketing, customer service and IT. She has also headed up the drafting of Operating Compliance Manuals for Franchise operations and implementation of all the elements involved.



Phone: +61 2 8007 2907  
 E-mail: [admin@innovestsmc.com.au](mailto:admin@innovestsmc.com.au)  
 Website: [www.innovestsmc.com.au](http://www.innovestsmc.com.au)