

**Jim Cathcart**

Introduction to  
**Relationship Selling™**

Reaching the  
Top One Percent  
of Your Field



**The Relationship Selling™ Series**

# The Mindset, Skillsets, and Systems of Relationship Selling™

The year was 1969, the place was Little Rock, Arkansas. I was a 22-year old salesman still wet behind the ears with no prior experience or training. It was the end of the month and our motorcycle dealership could earn a special bonus award if we would just sell a few more bikes before the end of the business day. An acquaintance of mine who wanted to get back into motorcycling came in after work and test rode one of our best models. It was a Suzuki T120 dual-purpose bike, one good for off road as well as street riding. We had a special reduced price on that model that was only in effect until the end of that day. He was in a position to buy it and the product suited his needs. I was the salesman, but I wasn't selling. In fact, I was pushing! Without knowing any other way, I pressured and cajoled the prospect until he finally left in frustration.

Upon reflection I realize that my selling style was not only too pushy, but it also made me appear too desperate to make the sale. What I saw as a "sense of urgency" was seen by the prospective buyer as a desperate attempt to get the sale now. But, the real problem was not my pushiness; my pushiness was a symptom of the underlying problem: my mindset. I was focused on selling the motorcycle, not on helping the customer decide to buy.

A simple play on words? No. Selling energy flows from your selling intentions. My intention was to move a product. My intention should have been to serve the customer. People frequently dismiss this as the "touchy feely" approach to selling. Not so, Relationship Selling™ is about Selling. Relationships are simply the path to more sales.

When we focus our intentions on serving the customer in the most appropriate and profitable manner, we gain their loyalty and support as well as their purchases. Your intentions are completely within your control. Regardless of what company policies or practices are in place, your approach toward each sale should be to satisfy the customer. Then, you will be more likely to make the sale than if you simply focused on getting the business.

In old movies, when a teenaged boy showed up at the

home of his date and met her father at the door, the typical question from the dad was, "Tell me, young man, what are your intentions toward my daughter?" Your prospective clients have the same type of question in their minds. If they are going to trust you with their purchase, they want to know your intentions first.

Have you ever gone out to buy something, found just the thing you were looking for, at a reasonable price, and yet refused to buy it because you didn't like the way the person was selling it? I've asked that question of thousands of audiences over the years, and every single time, most of the people respond with a "Yes."

Sometimes it's not your product or price that determines whether you get the business. Sometimes it's simply the way you connect with people. In the final analysis, after the sale is made, after the products or services are delivered and the person has committed to the purchase, the only connection that truly remains is the relationship between the seller and the buyer.

What makes someone buy from a particular company or sales person? In many cases the reason is neither the product, nor the price, but rather the relationship with the individual they're dealing with. Products change, services change, prices change, and certainly the economy and marketplace changes. But when the relationship is strong, the account endures.

*When you don't have an edge in product or price, then you must have an edge in the way you connect with people.* In fact, you need that edge even if you do have a competitive product, or a price advantage. So always look for ways to value the relationship and recognize in your own mind that the relationship is the source for the sale.

*When you connect with people, you not only get the business from today's transaction, you get the business from tomorrow's transactions as well.* That is what Relationship Selling™ is all about – cultivating meaningful bonds with customers that make them feel like something more than just a sales target.

(To sign up for Jim's Relationship Selling™ e-Course, visit [https://secure.parkerwebsolutions.com/cathcart/relationship\\_selling\\_elrn.html](https://secure.parkerwebsolutions.com/cathcart/relationship_selling_elrn.html).)

# What is Relationship Selling™?

Relationship Selling™. What does that really mean? Does it mean you put all the emphasis on the relationship? Or do you still keep some emphasis on the sale? Moreover, what's the difference between what might be called traditional selling and Relationship Selling™?

To answer these questions, let's put things in context. My son was born in the year 1971. My grandson was born in the year 2001. Let's look at the difference in how selling was done a generation ago versus how selling is done today, in the 21st Century.

*A generation ago, selling was done primarily with cold calls.* People went out, unannounced, showed up on somebody's doorstep or in their foyer and announced that they wanted a couple of minutes of their time so that they could make a sales presentation. Such a way of selling was not only common; it was expected.

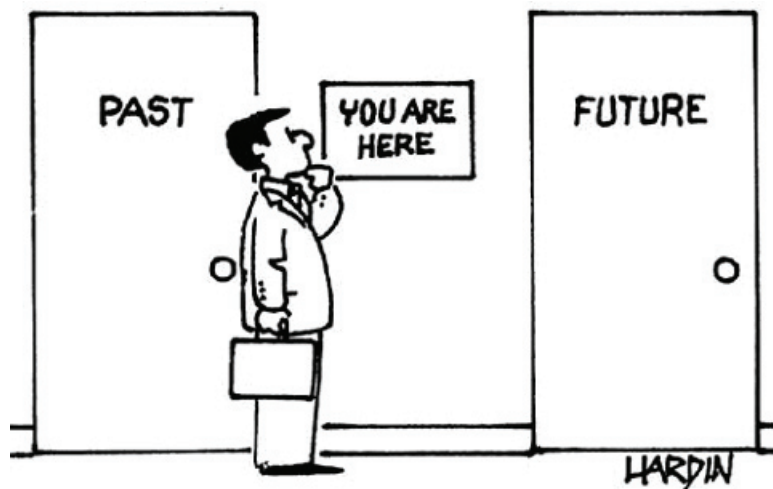
What made the sales person effective was a strong sales pitch. The best sales person could tell their story in a convincing and compelling way. They were hard closers. Good sales people had all kinds of power-closing techniques. They had the "nail-down," the "hat-in-hand close," and the "sharp-angle close." All of these supposed "friendship building" techniques were designed to manipulate someone into a position of submission so they had to say, "Yes!"

The old approach to selling was to make a performance out of it. If the customer didn't buy after repeated attempts you would either coerce them into buying by making it a matter of honor "Do you really wait for your wife or boss to give you permission before you do what is right?" In the "nail down" you would isolate the reason they weren't buying by asking, "Is there any other reason why you aren't buying today?" Then if they said no, you knew that by eliminating their objection they'd be placed in a position where they had to buy or look foolish if they brought up another objection. Or, you could do the "hat in hand" close: As you get up to leave you would say, "I'm sorry I

didn't make my case well enough so that you could see the benefits of buying. Before I leave do you mind if I ask, what did I do that made you not want to buy?" When they replied you would treat their reply as yet another standard objection and start selling all over again! The "sharp angle" close was where you took a departure from the direction of the conversation in order to interrupt their resistance by changing the subject somewhat. Basically there is nothing wrong with these forms of dialogue, but the underlying energy in this selling style is a power struggle between the Persuader (you) and the Buyer.

*This was possible because most buyers were uninformed.* Buyers simply didn't know about the products because information was not available to everyone like it is today.

What's different today? Today with e-mail, with the World Wide Web, with universal access to people and information by telephone and computer and otherwise, we have an enormously different marketplace. We've got a marketplace of informed buyers, people who are much more sophisticated and aware than ever before. They will not tolerate cold calls in the traditional sense: strong sales pitches



followed by hard closing and so forth. *People today expect the sales person to be an expert guide, a consultant, and most of all a business friend:* someone who will be there after the sale to assure that they get full value from the decision that they made to commit to doing business with you.

In the old days, if you were a strong persuader, you had a future in sales. Presently, that's only one tiny element in the overall mix of talents and skills that you need. Today, the best selling skills you can develop are the skills that constitute a package of what we might call consult-



ing skills. Those are built on the assumption that there will be a business relationship established, that the business relationship will endure beyond the transaction of this sale and that the consultant will determine needs before just prescribing solutions.

When you approach someone as a consultant they share information with you freely so that you can help them. But if you approach them as a persuader, they will withhold information in order to protect themselves from you. When I was 22 years old I worked as a bill collector in the Ozark mountains in Northern Arkansas. My job was repossessing log trucks. I found that the quickest way to reduce the tension between me and the past due customers I called on was to say, "I'm here to show you how to get my company off your back." Doing this made me their "partner in problem solving" rather than their adversary and they opened their doors to me. I also produced more successes than my colleagues who used pressure tactics to collect on accounts.

There's a line that we sales trainers have used for years, *"Selling is like medicine, in that prescription without diagnosis is malpractice."* If you start selling before you fully understand the person you're selling to, then you're being inappropriate and you're being ineffective. You could be a far better sales person by first understanding their needs and then addressing them. Remember the old story about the salesman who failed because he was trying to sell refrigerators to Eskimos? Why did he fail? Most would say it was because Eskimos who live in the ice of the Arctic don't need refrigerators. Actually, that's not the problem. They could use refrigerators, but not to keep things cold. They would instead use them to keep the food at a constant temperature and to keep it safely enclosed. By diagnosing the uses of the product before trying to sell it, the salesperson could have become a more successful seller.

So *Relationship Selling™*, the way it's done today, is a matter of professional behavior, applied to the cultivation of relationships, which generate profitability for you and your company and profitability for the person who decided to do business with you. They profit from the value you bring. You profit from the revenue that they provide.

**The benefit of Relationship Selling™  
(longer-term thinking):**

They buy today and they buy again tomorrow...  
and so do their friends.

# Solutions And Connections

*Society advances based on two things: the solutions we produce, and the connections we sustain.* If we produce the right kind of solutions to people's needs and problems, then society advances. But that's not all that causes it to advance. If all we had were technology, things would pretty soon reach a standstill because they would be lacking the other essential element.

The other element is connections. These are connections with each other, the connections between suppliers and buyers, the connections between us and the other people in our community, in our marketplace, and within our own profession. Those connections are also what cause business to advance, together with the solutions.

*The same thing is true for your sales career.* Your sales career will advance based on the quality and quantity of solutions you provide to people, and the quality and quantity of connections you sustain. We used to say, "It's not what you know, it's who you know."

In actuality, it's more like: *"It's who cares whether they know you."* Relationship Selling™ is not based solely upon the people you know, but on the people you've formed a meaningful bond with. Connections help advance your career.

There used to be a statement widely used in marketing and sales, which was, "Build a better mousetrap and the world will beat a pathway to your door." The belief was that if you had good technology, a good product or service, people would find you. That was probably true in the days when there were very few good solutions available. But today, there is a plethora of good solutions. They are everywhere. Today the choice is no longer between a bad product and a good product. It's in finding all these good products and knowing which one is the right one for you.

Think of automobiles back in the '50s, the heyday of big cars. We had the cars with fins and big menacing looking grills, and loud pipes coming out the back, and huge V8 engines under the hood. However, those automobiles left oil slicks on our driveways. They needed frequent tune-ups. Sparkplugs frequently got fouled and had to be re-

placed. And, many of them were hard to drive.

Today we have automobiles, even the least expensive of which sometimes will go 100,000 miles without a tune up.

Technology has advanced so much that our biggest problem is choosing between good alternatives, not simply identifying the bad versus the good.

Ask yourself, since society is going to advance based on the solutions we produce and the connections we sustain, what can you do to cultivate even better connections with the key people in your world? And what can you do to constantly refine, advance, and enhance the solutions that you provide to people's problems?

With today's advances in technology there are **Customer Relationship Management (CRM)** systems that allow you to easily record and review: your record of contacts within this company, their buying history, the sequence of decision making authority, their preferences and requirements, and more. You can also use this information to systematically inform your company of needed changes in product specifications, pricing packages, delivery systems and more.

CRM has evolved into its own industry. There are professional associations and conferences focused specifically on the issues related to selecting and using the best CRM systems. Your company may already have a system. If it does not, or if you are shopping for a better system, consider first defining how you need to work, then select a system that makes that process easier and more effective. Some CRM systems are designed for individual use and can be configured however you wish. Others are designed for enterprise use throughout an entire organization. Some are web based while others keep the data on your own computers. Shop wisely by finding the closest match to your industry, the steps in your sales cycle and the kind of information you want to keep on each prospect.

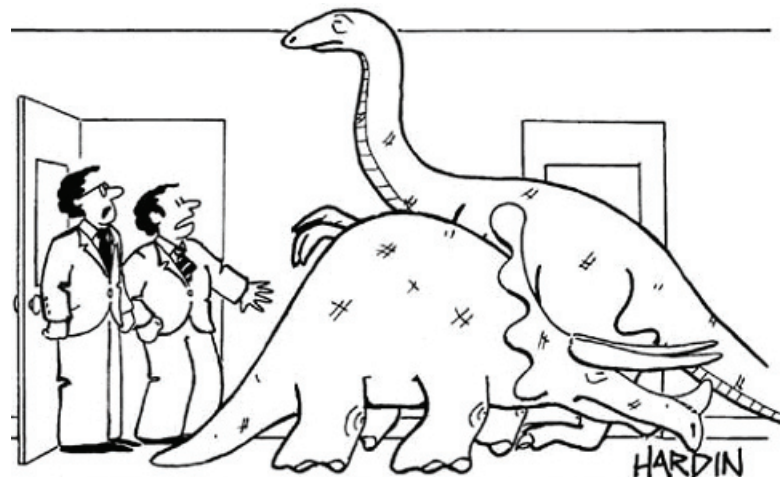
In an ideal scenario, you would be able to quickly and easily capture phone numbers of prospects, contact information and needs or interests. Then you would incorporate that data onto your computer, cell phone or PDA, and your company's system. Once they were in the system, your Customer Relationship Management system could tell you: where you were in the sales cycle with each prospect, how many prospects you had in the pipeline, what you had talked about on your last contact with them, who

holds the buying authority, what their timeline for buying is, when your next scheduled appointment is or needs to be, what resources you have shared with them or could, and even the dollar value of the sales potential within all your existing prospects. This kind of awareness can keep you working on the things that will pay off best and helps you avoid wasting selling time doing non sales activity.

(To order Jim's Relationship Selling™ audio CD with 19 interviews, visit <https://secure.parkerwebsolutions.com/cathcart/orderform.html>.)

## Industrial Era Versus Organic Era Selling

In the industrial era, we looked at business as a machine. As a matter of fact, we looked at the entire world as a machine. Everything was considered to operate by mechanical principles and we used physics as the primary science that guided us.



**"They're extinct in nature, but a few still exist in the corporate world."**

In the old mechanical paradigm, there was really no reason to think about the feelings of the machine. There was no reason to care about what went on after the sale as long as the sale was profitable and the customer got what he or she was buying.

*Today we recognize that we do not live in a mechanical world. We live in a world that is biological. Therefore, we*

*are entering what could be called the organic era.*

We have started realizing that a business or an organization is a living entity. A business is alive. A community is alive. A church is alive. And, a network of people is alive. If you don't believe that, just identify one and sit back and study it for a while.

If organizations and groups of people are living systems, then using physics as our way of studying them is quite limiting. What we should use instead is biology. In physics you reduce everything to the simplest, smallest element and then you manipulate those elements to create the desired mechanical result.

In biology, you begin with the assumption that not only do elements exist, but they live and operate within an eco-

system. The environment, the marketplace, the overall community is a daily part of the experience that that person, that company, that product, that group of people will have.

What does that mean to you as a sales person? It means that you must look at the companies you call on and the individuals you work with as being part of a living network. It compels you to recognize that nobody is alone, that everything you do or they do out there, affects something else.

Therefore, simply negotiating with people to get them to say yes is grossly inadequate. What we need to do today is to approach every business relationship as the beginning of a business friendship - an act of friendship that we are doing toward them to make their life better.

## Industrial vs. Eco-Tech

- |                      |                       |
|----------------------|-----------------------|
| • Mechanisms         | • Organisms           |
| • 9 to 5             | • 24/7                |
| • Formal Education   | • Perpetual Education |
| • Eye Contact        | • E/Contact           |
| • IQ                 | • EQ                  |
| • Knowledge Is Power | • Access Is Power     |
| • Persuasion         | • Partnering          |
| • Keep Up            | • Stay in the Game    |
| • Do It Yourself     | • Do It Together      |
| • Institutions Rule  | • Individuals Rule    |

# Reaching the Top One Percent

## What Is it That Separates The Top Performers From The Rest?

That question has guided every success explorer since the beginning of personal achievement. It has a myriad of answers and none is always correct. The universal answer, of course, is “it depends.” Each situation, industry, and person is unique.

Nevertheless, there are some things we can use as our guidelines. There are enough things in common across various industries that we can learn to navigate the upper regions of success in our fields.

The first thing is: *Nobody gets to the top one percent by luck or accident.*

Somebody may make a huge sale, or stumble into a great opportunity once in awhile, but staying there is very different. *When I say, “Reach the top one percent,” I mean reaching it and staking a lasting claim while you are there.* So, how do we distinguish the top one percent from everyone else?

The top one percent in any field are those who:

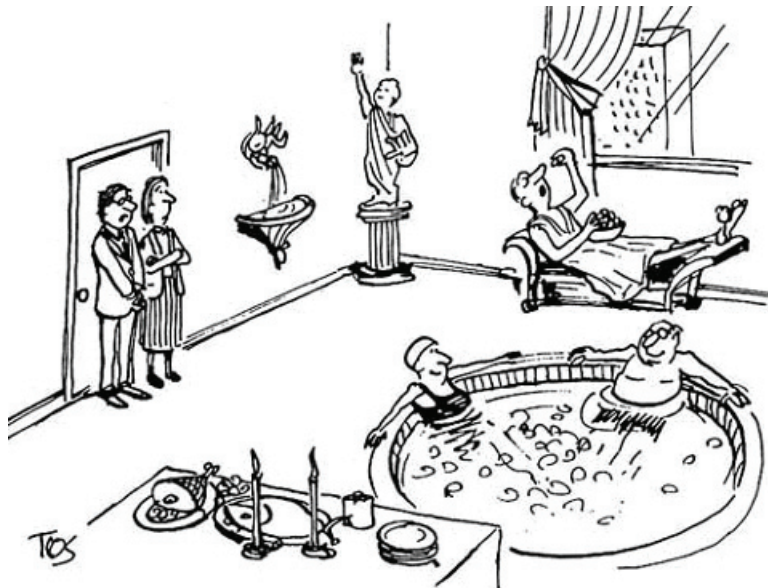
- earn the most money (at the turn of the 21st Century, the top one percent of wage earners in the United States were earning \$373,000 a year or more).
- exert the most influence when they speak.
- receive the highest awards and recognition.
- are able to get major things done with minimal effort.
- set the pace and style for others.
- become the standard by which others are measured.

Here is what I have discovered, in my twenty-five years of professional speaking to over 2,400 organizations around the world, about “one percenters” and the characteristics they possess. One percenters:

- think differently about what they do. (They are building, not just doing.)
- build relationships in advance of needing them. (They are, in effect, prepared for Relationship Selling™.)

- take personal responsibility for making things happen.
- intelligently work the odds.
- intentionally form habits and cultivate patterns that work.
- know the payoffs of each of their activities.
- are impatient with those who don’t take charge of their own lives and careers.
- are generous with their time and resources toward worthy recipients.

*Those at the top understand that one must become and remain eligible for what they want. If you want the top people to seek you out, you must be the kind of person they would benefit from seeking out. If you want to be influential, you must continually learn more in order to have more to offer. The good news is that it is within your grasp.*



**"I always suspected that the top producers had a better break room."**

## Case Study

### Rancho Estrella, An Upscale Resort Hotel

Rancho Estrella, the Upscale Resort Hotel is located in a suburban resort area near a major city. It has a long-term reputation as one of the finest properties of its type in the world. Its product is excellent; a recently renovated facility, highly trained and experienced staff, elegant dining, great location, luxurious accommodations, abundant recreational opportunities.



Advertising has been very good, their public image is spotless and competitive positioning is good. All in all, you'd have to say they have a lot going for them.

**Situation:**

In recent months the economy has been weak and their occupancy levels (the number of rooms being booked per night) have been way down. The money they have for promotion is very limited. This problem is not unique to them; the entire hospitality industry has been experiencing the effects of reduced travel. But they have been selling fewer conventions and special events, so in addition to fewer individual travelers, they now have fewer groups using their hotel. Another upscale resort has been opened recently within a half hour's drive. News reports seem to indicate that it may be some time before the economy turns around and travel increases again.

*What can they do to increase sales right now?*

**Small Tactics:**

*Here is the short-term thinking approach to increased profits:*

- They could lower their rates, offer more amenities, and give away free meals or extra room-nights as an incentive to those who might book a room or event. They could also "lower their sights" to go after groups that normally couldn't afford this hotel. Though this might take business away from other hotels, Rancho Estrella would make less profit on each sale, but at least they would be making sales.

- Or, they could cut costs dramatically. Reduce the staff, close up the unused rooms, and reduce the hours of operation in the restaurants and bars. They could advertise less, discontinue their toll free services and use regular toll calls for all promotions. They could freeze or reduce salaries and discontinue bonuses. Though this would discourage and frighten their employees, the short-term savings would be assured.

- Services that didn't directly produce revenue could be discontinued, such as evening turn-down service, free newspapers for frequent guests, free refreshments in the concierge lounge, and upscale amenity packages in guest suites. They could also buy less expensive furniture, bedding, towels, etc. All of these ac-

tions would reduce the cost of operations day to day in hopes of generating higher profits on the business they are already doing with people. Their costs would go down immediately but so would their visibility in the marketplace and the appeal of their resort to the guests.

- They could start new revenue sources by charging extra for valet parking and for local phone calls, and by discontinuing free refills on soft drinks, charging for the in-room coffee service, and charging extra for the use of premium TV channels. They could bill clients for the notepads in meeting rooms and charge a service fee for providing ice water in meetings. This would produce immediate income, but clients would be paying more just to get the same result and would quickly begin to resent the extra charges.

- In a final effort to generate sales today, they could start a series of "sales blitz" events. This is where the sales team sets up a "boiler room" for massive phone calling. All the sales reps gather in one room at separate phones for hours on end, simply making one phone call after another in an effort to find a sale today. Each is given a list of potential prospects, or simply the yellow pages to call every person who might be a prospect for something their hotel sells. Yet another blitz could be a caravan of vehicles filled with sales reps combing the city to make cold calls on businesses and travel agencies in hopes of generating some sales. Their visibility would increase, but at what cost?

So, in light of the above, what do you think of Rancho Estrella's prospects for success now? Are they likely to weather the down economy and generate sales? Are they likely to gain the commitment of their staff to give an extra effort during the crunch? Will they rebound with the economy to their previous position of prestige, or will it take longer to recover? Will they still have the respect of their customers, colleagues, suppliers, employees and community? What do you think? Would you invest in them today?

By taking the short term approach to dealing with the downturn Rancho Estrella would be sending an impression of desperation to their prospects and they'd be lowering their image in the marketplace as well. Short term sales efforts as described above are what you'd expect



from a lower market player, not from an upscale resort. Sure, they need sales now, but there is a better way to generate them. What Rancho Estrella needs to figure out is a viable way to produce a lasting flow of new sales, not just a burst of quick, low profit transactions.

## Superior Strategies:

Here is how a top one percenter, a Relationship Selling™ Professional, would approach this situation.

**1. Notice more.** A Relationship Selling™ Professional would begin by doing an inventory of assets. What is working well and how many good things do we have going for us? (Rancho Estrella might say: “If our expo booths at travel industry events were producing more big group reservations than we were getting from our telephone calling, then we could change the mix of calls and on site events. Though each call cost us more to make, it produced a higher net profit.”) Next they would explore where today’s business is coming from and why, and where the business came from in the recent past, and why? (Rancho Estrella might say: “Noticing a shift in the amount of business we are getting from one industry could tell us whether to cultivate a new market or penetrate an existing one more fully.”) An analysis of the competitive situation would let us know who else might be trying the same things we decide to do, and who, among our competitors, is not being as intelligent about the situation? (Rancho Estrella: “If others are doing what we do, then how can we do what they are not doing and gain an edge?”) Further analysis could show where we are vulnerable and where our greatest voids exist. Each person needs to know which areas they are strong in and where they need support. The more we notice, the more we know. *And the more we know, the more options we see. And the person with the most options usually wins.*

**2. Cover the gaps.** A Relationship Selling™ Professional would meet with our team of professionals and inform them of the situation, enlisting their support and seeking suggestions from all of them. Every person would tell their manager what results they are willing to be accountable for. Plans would be made to assure that any cutbacks did not show up in a reduction of the quality of our product. Efforts would be made to include everybody in solving the problems so that morale stays high and performance quality does not suffer.

(For Rancho Estrella: “Instead of focusing just on the sales being produced we could have each person commit to a certain number of sales contacts per day. Then we

could report those numbers and track the effectiveness of each individual. If I’m making 100 sales calls and producing 2 sales and you are making the same number of calls but generating 20 sales then clearly I need to learn from you.”)

**3. Increase human contact.** The sales team would begin to have daily briefings. With short meetings in the morning and evening to plan and then review each day’s activity. We want to assure that we are calling on our best prospects with our best sales strategies and that everyone works in concert so as to maximize our sales appeal. Each week acquires its own theme. One week is filled with an emphasis on email messages, another is focused on in-person calls, another is about sending the best possible proposals, another is all about follow through. Though all these things are done each week, the alternating emphasis assures that we improve each effort to its optimum. Sales reps meet daily to give each other feedback on what they are doing well and how they can improve. New sales ideas are covered briefly each day. Positive attitudes are sustained and discouraging language is aggressively avoided.

(Rancho Estrella’s solution: “This week is going to be Decision Maker Contact Week. All week we will focus on increasing our communication with actual final decision makers and we will report and discuss these daily. Then next week we might focus on Talking About Outcomes Week, and spend the week assuring that every conversation is focused on the valuable outcomes that customers will get by booking with us.”)

**4. Begin a series of chain reactions.** The Relationship Selling™ Professional would initiate numerous new actions that are the first step in a new sales cycle. Inquiries would be sent out, prospective buyers and former customers would be interviewed. Proposals would be scheduled, presentations planned, meetings booked for sales calls and executive briefings, collaborations begun, and promises made. All of these are things that imply that more action will be taken later. All of them likewise give an impression of optimism and forward planning. Not all sales can be generated by today’s activity. Some of today’s actions need to be sent ahead to prepare us for tomorrow’s sales.

(For Rancho Estrella: “When we fill the pipeline with new activities and scheduled follow through then we are compelled to complete the process.”)

**5. Keep the ball in your court.** The Relationship Selling™ Professional would not rely on callbacks from prospects. Calls and follow through would be initiated from our office every day. Wall charts or computerized spreadsheets would be created to track who needs to contact whom and when. Things that are measured tend to improve, so we would begin to measure and track every activity that contributes to a future sale.

(Rancho Estrella's solution: "Imagine everyone coming to work each day and seeing the exact number of new calls being made by each of our sales reps each day, the number of calls that resulted in talking about outcomes with actual decision makers, and the amount of time spent making these calls. Awareness precedes performance and this new awareness would lead to motivation and refinement of what we do.")

**6. Maximize your leverage.** The Relationship Selling™ Professional would block out the prime selling hours for only sales contacts. No letter writing, meetings, research or training would be done during the best hours for sales calls. All supportive activity would take place during times when prospects were hard to reach. Every department within the company would be informed of our efforts and encouraged to contribute in whatever way they can. All personnel would be told to "think sales" and appropriate rewards would be designed to thank them. Each person would spend fifteen minutes each day learning something new or sharpening a skill. Our suppliers and favorite customers would also be enlisted to help generate sales by building a fun-filled contest or campaign in which they can participate.

**7. Think beyond today.** People who can't envision a positive tomorrow are forced to assume it will not be positive. Therefore, a Relationship Selling™ Professional would assure that our leaders continually verbalized their optimism. Posters, memos, briefings, and training meetings would be filled with stories, examples and images of the positive future possibilities. Optimism beats pessimism every time. And yes, it beats "realism" too. (For Rancho Estrella: "Every action we take sends a message as to our intentions and our values. It shows what we are up to and what we care about. If we keep the focus on the 'why' of the longer term objectives, then the importance of the 'how' of today's actions becomes more relevant and meaningful. A 'why' overrules a 'how' every time.")

How can you use the Rancho Estrella case study to apply to your own organization?

What are the similarities between Rancho Estrella and your company?

Which of these approaches to immediate sales have you tried lately?

Which would you prefer to try next time?

What changes are indicated in your current sales activities?

What other questions need to be asked to help your organization grow?

## The Seven Steps Of Relationship Selling™

In the sales process, there are seven distinct steps that we go through; each corresponds with one of the competencies, leaving the *manage* competency as separate yet intertwined with all seven. The goal of each of these steps must be achieved in order to attain a successful sales relationship, a profitable outcome for both parties.

The first step, or competency, in selling is getting ready to do your job really well. I call this *prepare*. Preparation is not simply sitting down and doing some paperwork, or gathering your notes together, or assembling your demonstration material, or plugging in your video player to give a demonstration video.

Preparing means handling all the things that must be prepared. For example, preparing your own attitude. Preparing the way you look, preparing to focus your attention on the client instead of thinking about something else. Preparing to be at the prospect's place of business at the time and location that works best for achieving a successful sale. *The ultimate goal of preparing is to be ready to do your job well.* Sometimes that takes a nanosecond - you're ready right now. Someone comes up to you and you say, "A-ha! This is a prospect, I know what the person needs, I've talked with him before, I know what I need to tell him in order to make this sale. I'm ready right now." Yes, sometimes it only takes a second to prepare. Other times it takes days to prepare. "I need to go to their web site, I need to research information, I need to study up on the company. I need to check with a few people in the marketplace. I need to talk to some of their other suppli-

ers. I need to find out what they've done in the past. I need to spend some time with them gathering a little information before I come back to them with a recommendation." In other words, sometimes preparation is a long-term thing, sometimes it's not. But in every case the goal is the same - be ready to do your job well.

The second step is *targeting*. This is where you assure that the people you go after, as prospects, are appropriate to your product and your goals. With the wrong target, you can attempt to sell all day long and still achieve only minimal results. Sure, you can sell refrigerators to Eskimos, but they are not your best prospects.

The next step is to *connect* with the person. This is the meeting phase of the sale, the connecting part. It is not just starting a dialogue, not just giving a pitch - it is establishing the kind of atmosphere where they tell you the truth and you tell them the truth from the start.

Then, it is critical to understand them. You can call this studying, fact-finding, or any number of things, but the goal here is to understand them. I call this assessing the needs of both the person and their circumstances. *Until you understand the person, until you understand their situation, until you understand their needs and concerns, you're not ready to sell.*

Once you understand the person, then you focus on *solving* the problem. Solving the main problem, resolving the concerns, addressing his or her needs in such a way shows the person exactly what you can do to make their life better. Some people argue and say this is the "presentation," this is "the pitch." Well that may be part of the experience, but the purpose of "solving" is for you to get *the person* to understand what you can do for them. You must first understand the person, then you want that person to understand you, to see the value you bring, to understand intellectually and to feel emotionally the ways you can serve them so that they feel compelled to commit.

That's the next step in the selling cycle - commit. Confirm the fact that a sale was made, a purchase was initiated. Do something to commit to the transaction between the two of you, the beginning of the relationship. *Until you get them to take an action, give you a handshake, sign a check, give you a purchase order, or do whatever people do to confirm their commitment to you, you don't have a sale, you simply have an interested prospect.* So the next step in selling is *commit*. And the purpose of that is to make the sale official.

The final step in selling, which starts the cycle once again, is *assuring* customer satisfaction - that this person who just said yes to you is indeed happy that they made that decision. Sometimes that means that you need to not only reassure them verbally, but you need to give them information that confirms and validates that this was a wise decision on their part. Sometimes it means giving them an orientation to the product, service, or process they have now committed to. Sometimes it means introducing them to another person who will be there to provide the follow through. Sometimes it means providing a technical manual or giving them a DVD or a web address that allows them to gain more information to be sure that the guarantees and assurances you had given them will in fact be acted upon.

## The seven steps, or competencies, in the sales process:

1. **Prepare.** Be ready to do your job well.
2. **Target.** Identify your best prospects.
3. **Connect.** Establish truthful communication, two ways.
4. **Assess.** Understand the person, the situation, and their needs.
5. **Solve.** Provide solutions, to get them to understand the value you bring to them.
6. **Commit.** Confirm the sale or the purchase, to make it official.
7. **Assure.** Make sure that this person truly sees, feels, and understands that what they did was a very good thing to do.

NOTE: The eighth competency, - to manage yourself as a salesperson is not a step in the sales process. Yet, unless you can continually manage and improve yourself, your sales success will be limited.



# Your Sales Readiness Self-Assessment

**The desire to win is meaningless  
without the will to prepare.**

*—Winston Churchill*

**The game is often won more fully  
during the practice sessions than  
simply within the contest.**

*—Jim Cathcart*

When we moved into our new home the previous tenants presented us with an aerial photo of the house and surrounding property. It gave us an entirely new perspective on our home and its overall placement in the neighborhood. We could see the roads, the neighbor's property lines, the distance to the next landmark and the general lay of the land. It gave us a true sense of size and distance. It was exciting and enlightening. Imagine if you could get that kind of perspective on your own readiness for selling. I believe you can.

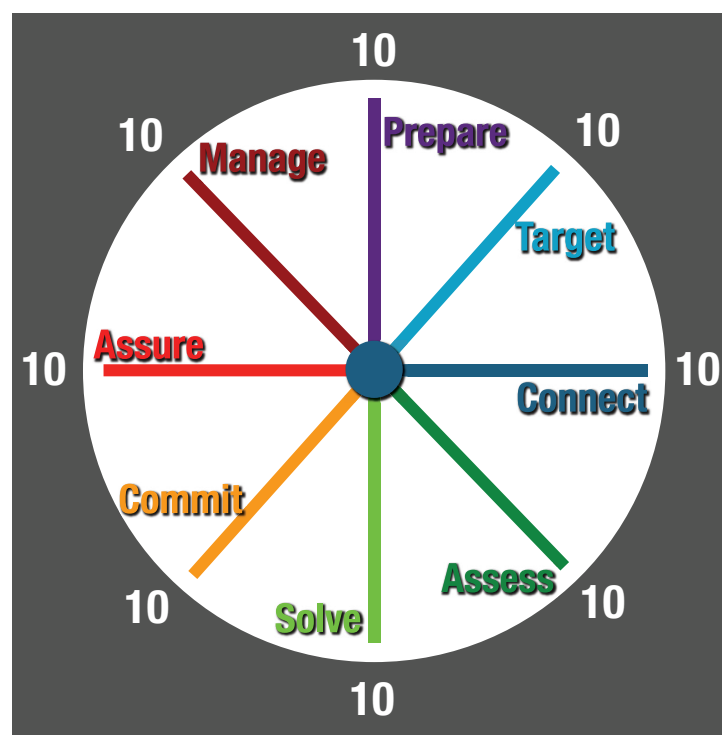
Below is a diagram of an eight-spoked wheel, which shows all of the sales competencies, laid out in relation to each other. In this diagram, each spoke of the wheel represents one skill-set, one competency. The center of the wheel is the starting point and the outer ring of the wheel represents optimum development, a “ten.”

By using each spoke as a self-rating scale, you can plot your current readiness in that area through placing a dot on the spoke indicating how ready you are in that competency today. If you feel that your “Prepare” competency is well developed at present, then you would place a dot near the outer ring, somewhere between an eight and a ten. If you feel less confident about your overall preparation readiness, then you would choose a rating closer to the center of the wheel indicating a lower number.

After rating your “Prepare” competency, move on to the “Target” competency and repeat the process, selecting the number that you feel is most accurate today. Do this for all eight competencies.

Please resist the need to have a scientific assessment before doing this. What matters most for this exercise is for you to indicate where you think and feel you stand in each competency here and now, today. This is not a rating of your potential, nor is it an accurate objective assessment of your selling skills. It is merely an indicator of where you think you are. This produces what behavioral scientists call “face validity” for you. That means that you are telling yourself what you believe to be true.

By doing this you will portray graphically what you now merely know intellectually or emotionally. This produces a self-portrait from the perspective of an overview, or aerial snapshot so to speak.



## Your Sales Readiness Profile

Use these questions to help select the number that applies to each rating today. How ready are you for selling? There are eight elements in the sales process. Think about yourself in each of these. What is your current level of competence or effectiveness in the following?

**PREPARE:** Sales planning and preparation. How good are you at being ready to do your job well? On a scale of zero to ten (zero being low, ten being high) think about how ready you are, how competent and effective you are in sales planning and preparation. Write the number down, zero to ten.

**TARGET:** Prospecting. How ready are you for prospecting, how well do you identify the people who might want what you have, and find a way to get in touch with them? Also, what about your quantity? That's the number of new sales contacts that you make. On a zero to ten scale, include in this ranking how many new calls and contacts you make, say in a typical week. Give yourself a ranking.

**CONNECT:** Ranking your ability to connect with all different types of customers. How well do you deal with people who are not like you? Zero to ten, write down a number.

**ASSESS:** Interviewing and fact-finding skills. How good are you at asking questions and listening well to draw out the answers? How about in finding the kind of information about the person and the situation that makes you as effective as you could be? Zero to ten, write down a number.

**SOLVE:** Problem solving. How about solving the problem, how good are you at presenting solutions to the customer so that they understand? How well do you present your ideas? How well do you dramatize the value that you bring to someone? Zero to ten, give yourself a ranking.

**COMMIT:** Confirming the purchase, getting a commitment, closing the sale. How good are you at asking for the order, and asking in such a way that the person wants to say yes? How good are you at overcoming the resistance that you meet, eliminating resistance in the first place, and getting the person comfortable with making a commitment to you, today? Zero to ten, write down your response.

**ASSURE:** After-sale communication and follow through. Is the customer satisfied with what they got from you? How good are you at the after sale communication? And, how good are you at staying in touch and following through to see to it that that customer is truly happy that they got what they wanted and needed it in a way that they understand and value? Rate your current level of competence or effectiveness in that area. Zero to ten.

**MANAGE:** Managing yourself as a sales person. How effective, how competent are you at keeping yourself motivated, keeping yourself skilled, keeping yourself in a learning mode so that you're constantly getting better and becoming worth more to your company, to your customer, and to your own personal career? Choose a number.

You've just looked at eight areas – sales planning and preparation, prospecting, and the quantity of new sales calls, interviewing, understanding the customer, presenting solutions to customers, confirming the purchase, after-sale follow through, and managing yourself as a salesperson. On the zero-to-ten scale, you chose a ranking for each of those eight areas.

Now, add those together. Get that total number of all your rankings. Then divide it by eight. See what the norm is, see the average of your response. That will tell you your overall sales readiness at this point in your life, today.

Write that number here \_\_\_\_\_.

Today's date is \_\_\_\_\_.

If you want to know how to get better, look at each individual ranking and think about what you could do to move it from a zero to a one, or a one to a five, or a six to a ten. To improve yourself in each of the vital areas of sales effectiveness, focus on each one individually.

And, periodically, do this self-assessment again and date it. Keep a running account of your overall and your specific sales readiness.

(To take Jim Cathcart's Relationship Selling Online Sales Readiness 360 Self-Assessment Test now: <http://www.relationshipselling.net/assessmentorder.asp>.)

## Plotting Your Rankings On The Chart

Once you have placed a dot on each spoke, take a moment to connect each of these dots, one to another, around the wheel. (Do this in pencil or on separate paper, because you will want to do it again at other times.) The result of your connect-the-dots exercise will produce a figure within the wheel. If your ratings are all at the same number, say all sevens, then your figure within the wheel will be a wheel, which is seven-tenths the size of the overall wheel. But most people don't end up with consistent ratings in all of the competencies. Where one rating might be a ten, another may be a three or five. This produces a strangely shaped figure inside the wheel illustrating differences in readiness for each competency.

Note in which competencies you feel the most readiness and in which you feel the least. Use this awareness to consider which aspects of this book on Relationship Selling™

you need to focus on the most right now. You may need more work in connecting with people than you do in targeting the right prospects. Or, you may feel strong in assuring satisfaction after the purchase but not as strong in managing yourself as a salesperson. Whatever result you have indicated, it tells you something important. It tells you where you think you need the most and least support or extra work.

It has been said that a self-assessment is not as objective as a third party assessment, but then again, objectivity is only half the picture. If you were judged by experts to have excellent readiness for assessing a customer's needs but you didn't feel confident in that area, chances are strong that your performance wouldn't be optimum in that area. Your self-doubt would show in the way you communicated with the prospects. On the other hand, if you were really doing a good job of managing yourself as a salesperson, your results in many areas would be good despite any lack of confidence in the same category.

So both views are needed, internal and external.

Let this aerial view of your sales readiness begin the process of exploring how you are strong and where you need more resources, for now.

Self-awareness is the first step toward self-control, self-improvement, and ultimately, sales effectiveness.

(To sign up to receive Jim's online e-letter or to take his online sales readiness assessment and see exactly where you are strongest and where you need to focus in order to get better fast: visit <http://www.cathcart.com/eletter.html>.)

# The Eight Competencies of Relationship Selling

## 1. Prepare to Sell

Sales Preparation & Self Preparation

## 2. Target the Right Prospects

The Right People & The Right Strategies

## 3. Connect with the Person

Connect Intellectually (Head) & Emotionally (Heart)

## 4. Assess the Needs

Situational Needs & Personal Wants

## 5. Solve the Customer's Problem

Educating & Collaborating with the Customer

## 6. Commit to the Sale

Commit to the Solution & to the Purchase

## 7. Assure Customer Satisfaction

Assure Current Satisfaction & Continuing Loyalty

## 8. Manage Your Sales Potential

Manage Sales & Manage Yourself



# Relationship Selling™

## Competency #1: Preparation

The foundation of all sales effectiveness is preparation. Those who are well prepared can be considered “sales ready” for whatever situation arises. Those who are not are controlled by circumstances.

The preparation competency is a group of skills centered around two categories: Sales preparation and Self preparation.

**Sales Preparation falls into two areas: External and Internal.**

**External preparation** is about researching and understanding your market, industry, and competition. This is done by looking for information and resources outside of your own organization. This includes such items as:

- Market research
- Research on your competitors
- Studying various sales techniques
- Concepts and learning materials
- Researching your customers and prospects
- Industry research, getting demographics
- Statistics and details to help you better understand your prospective buyers and their needs.
- Territory planning and overall market strategies
- Sales projections and setting your general sales strategies and tactics

**Internal preparation** is done by knowing and using your company, products, clients, and resource team effectively. This involves looking for information and resources within your own organization. This includes such items as:

- Company knowledge
- Product knowledge
- Job knowledge
- Knowing the sales tools and systems that are most successful
- Researching customer histories
- Studying past clients and trends in your chosen markets
- Setting sales goals
- Activity goals

- Goals for each account and each sales contact
- Coordinating with others on your sales team.

# Relationship Selling™

## Competency #1: Preparation, Part 2

It is not enough to just have the information and training in powerful sales strategies. You must also be personally ready to apply this knowledge and do so with confidence, enthusiasm and sincerity.

In the final analysis it is the sales person and not merely the sales process that makes the difference. The person generates the sales, builds trust and stimulates the desire to buy.

**Self Preparation falls into two areas: Mental and Physical.**

**Mental preparation** is done by refreshing your knowledge and getting into the right frame of mind. This includes such items as:

- Reviewing your specific goals for each sales contact
- Refreshing your knowledge of sales techniques
- Product details
- Customer benefits offered by each feature of your product or service
- Pricing strategies
- Options you can offer
- The review of vital information just prior to a sales contact
- Rehearsal of the presentation
- Anticipating potential objections and concerns
- Reviewing answers to key questions
- Listing questions you will want to ask
- Getting yourself into a cheerful, helpful and proactive frame of mind.

**Physical preparation** is done by preparing your sales resources and personal appearance for the right impact. This includes such items as: Determining when and where to meet your customer, choosing the seating arrangement that works best, handling potential distractions in advance, assembling the sales tools and information resources you will need, and allowing for interruptions and delays.

Every aspect of your appearance counts here:

- clothes and grooming
- personal hygiene
- showing up on time
- considering how you greet others
- checking to assure that your sales materials and products present the right image and are working properly.

## Relationship Selling™

### Competency #2: Targeting

One thousand sales calls made on people who are not valid prospects for your product or service would be unlikely to produce even one good sale. Yet, one sales call on the right prospect with the right offer might produce abundant sales. Who you target and how you approach them has everything to do with your sales success.

The targeting competency is a group of skills centered around two categories: Selecting the right people (Markets) and Identifying the best ways (Methods) of selling to them.

**Targeting the Right Markets falls into two areas: Groups and Individuals.**

**Targeting the right Groups** is about identifying the categories, types of organizations and groups of best prospective customers, those who can best afford and most benefit from your product or service. This includes such items as:

- Market analysis
- Competitive analysis
- Studying the sales statistics of your products and those of others in this marketplace
- Knowing where the biggest pools of potential buyers live and work
- Analyzing the sales potential of each product within each market segment
- Ranking your accounts and generating a comprehensive market profile
- Developing a list of your many “publics” and determining how they get their information, who they listen to, what they desire, fear, etc.
- Finding out where they congregate, what groups they

belong to, and what publications they read

**Targeting the right Individuals** is about identifying your ideal customers and finding the decision makers. This includes such items as:

- Having a clear profile of your ideal customer -Knowing who has decision making power within the organization
- Isolating the most important needs you can address for them
- Following a valid process to qualify each prospective customer
- Spending very little time with non decision makers and gatekeepers
- Assuring that you are calling on the people with whom you can best establish credibility.
- Targeting also includes generating leads, gaining qualified referrals, building powerful testimonials and endorsements, getting introductions, and building an unending flow of future prospects.

## Relationship Selling™

### Competency #2: Targeting, Part 2

Sales strategies are the general approaches taken to generate business. Sales tactics are the specific approaches taken to situations and individuals. Great strategies can be destroyed by poor tactics and great tactics can be made obsolete by poor strategies.

But the right strategies when coupled with the right tactics are a very powerful combination.

**Targeting the Right Methods falls into two areas: Strategies and Tactics.**

**Strategies** involve building a reputation and brand position that will generate sales. It also involves choosing the specific approaches you take toward building demand for and distribution of your product. This includes such items as:

- Determining what reputation and brand identity you want in your chosen markets
- Identifying the “professional assets” you will need in order to gain that reputation or position
- Choosing the mix of media and sales approaches to

use

- Acquiring the resources needed for promotion and publicity
- Having a coordinated plan and ongoing process for stimulating interest in and desire for your products
- Selecting the best distribution methods for reaching your markets
- Using email, web marketing, trade shows, direct mail, phone calls, joint ventures and other sales tools in a coordinated manner. This also includes selecting the right number and type of sales calls to make.

**Tactics** involve calling on the right people in the right ways to open up sales opportunities. This includes such items as:

- Determining how to best penetrate a company or industry group
- Knowing who to call on first
- What sales appeals to use
- Which products to lead with
- What offers to make
- Who should make the first call
- How to progress from one sale to another easily
- How many calls to make per prospect
- Developing methods for getting to the decision makers with minimal effort
- How to sell through others or to committees.
- Having a compelling “elevator talk” or unique value proposition
- Knowing your various sales hooks and door opening statements
- Using samples and free gifts appropriately
- Determining how you can best reach your prospects with the credibility and confidence that will open doors and minds to your offer

## Relationship Selling™

### Competency #3: Connecting

Connecting with someone requires understanding them and their interests as well as showing them how you are a relevant resource to them.

The Connecting competency is a group of skills centered around two categories: Connecting with the Head or Intel-

lect and with the Heart or Emotions.

**Connecting with the Head or Intellect falls into two areas: Credibility and Activity.**

**Credibility** is about establishing yourself as a viable resource to the prospect. This includes such items as:

- Establishing your credentials and qualifications for helping the prospect with your type of product or service
- Using testimonials and endorsements wisely
- Tapping into referrals to open the dialogue
- Showing the importance of your offer to the prospect
- Asking compelling questions
- Documenting your claims
- Being organized and professional in your early communication
- Making the case for how much value you can bring to the prospect
- Using sales tools and resources to build credibility as you communicate with each prospect or client

**Activity** involves making the right number and type of sales contacts. This includes such items as:

- Getting in front of the right type and number of people who could benefit from buying, both new and repeat customers
- Your discipline in filling each day with actual sales contacts
- This also includes telephone calls, email communications, correspondence, in person calls and live demonstrations.

Sales activity is measured by the amount and quality of direct communication with qualified prospects rather than the supportive activities that process sales or lead to future business. The customer must come to the conclusion that you are a viable resource to them and that it makes good sense to do business with you.

## Relationship Selling™

### Competency #3: Connecting, Part 2

Rapport is generated on the emotional level not the intellectual. Exceptional sales producers learn to combine the human connection with the information they deliver.



**Connecting with the Heart or Emotions falls into two areas: Relationship and Trust.**

**Relationship** is about understanding personality differences and buying styles. This includes such items as:

Learning to read people so as to know how they process information and how they relate to others, matching the pace and style of the prospect, practicing good people skills such as courtesy, empathy, acknowledgement, and rapport building.

This also means knowing how to position yourself into the appropriate relationship with the customer, i.e. advisor, coach, problem solver, expert resource, strategic ally, business friend, preferred provider.

**Trust** is about building trust and managing relationship tension. This includes such items as:

Sustaining optimism and encouragement in the dialogue, keeping fear levels low while stimulating the need to buy, recognizing when tension should increase and should not, knowing the difference between relationship tension and task tension. Showing concern for the needs of the prospect and respecting him or her as a person. Being appropriately respectful of your competition without weakening your own position as a solution source. Knowing how to draw a line between being a social friend and being a business friend.

## Relationship Selling™

### Competency #4: Assessing

In selling as in medicine prescription before diagnosis is malpractice. The better you have assessed someone's need and wants the more effectively you can lead them to a buying decision. Relationship selling relies on the accurate understanding of a person's interests as the beginning of solving their problems and building a sales relationship.

The Assessing competency is a group of skills centered around two categories: Assessing the Situation (Needs) and the Person (Wants).

**Assessing the Situation falls into two areas:**

**Probing and Analyzing.**

**Probing** is about being skilled at asking the right questions and getting the answers. This includes such items as:

- Knowing what to be curious about
- Understanding the many types of questions and questioning techniques
- Being skilled at asking for information in a non-threatening way
- Determining how buying decisions of this type are made by this person and organization
- Learning how to probe for information that you might otherwise overlook

**Analyzing** is about identifying the needs and opportunities. This includes such items as:

- Exploring all the information presented to you in such a way that you identify the gap between what they have and what they need
- Recognizing the practicality of their expectations
- Assessing financial aspects
- Identifying opportunities
- Alternatives and options available
- Seeing resources you can use
- Finding additional reasons for the prospect to buy
- Recognizing the roles that various people play in the buying decision

## Relationship Selling™

### Competency #4: Assessing, Part 2

Companies may have needs but only people have wants. To understand a situation and not the person could lead to your making the right offer in the wrong way and losing the sale altogether. Once you understand the person you are selling to then the best ways of selling to them become obvious. Look for wants as well as needs.

**Assessing the Person falls into two areas: Understanding and Empathizing.**

**Understanding** is about finding the primary buying motive. This includes such items as:

- Finding the hot button items that contain the strongest appeal to the prospect

- Identifying the gap between what they need and what they want
- Recognizing prejudices or blind spots in their point of view
- Learning how they feel about competitive alternatives
- Identifying their fears and concerns
- Understanding their overall goals, values and priorities
- Seeing the limits to their authority and best ways to help them justify buying

**Empathizing** involves listening and people reading, understanding feelings as well as facts. This includes such items as:

- Respecting the importance of feelings and emotions and truly caring about how you can help
- Listening effectively
- Eliminating any irritating listening habits you may have developed
- Getting people to talk openly with you
- Being aware of differences in personality type, personal velocity, intellectual capacity, values, confidence levels, dreams and aspirations, fears and concerns
- Adaptability is also a key component of empathizing. This is your ability to adjust your own pace or preferences to be more compatible with your customer's. It is also dealing with different people in different ways while maintaining your own integrity.

## Relationship Selling™

### Competency #5: Solving

The entire purpose of a sales contact is found in the solution of the customer's problems, the filling of his or her needs. This aspect of selling, commonly thought of as only the presentation, is in fact a much more complex set of elements. When the solving is handled appropriately the decision to buy is easy and natural. The goal of solving is to have the customer realize exactly how you can help and be able to feel the value he or she will receive from you.

The Solving competency is a group of skills centered around two categories: Educating the person about your offer and Collaborating with them to see why and how to buy it.

### Educating involves two areas: Presenting and Showing Relevance.

**Presenting** refers to your ability to deliver a persuasive presentation. This includes such items as:

- Assembling compelling information and materials
- Using presentation tools with skill
- Speaking confidently and effectively one on one, in front of a group, with and without presentation aids
- Reacting professionally to distractions and interruptions
- Involving your listeners in your presentation
- Using persuasive language
- Blending gestures and words appropriately
- Changing pace and style to fit the situation
- Holding attention and starting and ending on time

Being really good at presentations yet not delivering many of them will surely lead to poverty from lack of sales. Keep your sales activity high. Make presentations often.

**Showing Relevance** is about providing compelling evidence as to how the customer will benefit from buying. This includes such items as:

- Documenting and providing evidence of the value you are bringing to the customer
- Relating your presentation to the goals, interests, fears, concerns, priorities, needs and values of your client
- Pointing out and emphasizing the gap between what the person has and what they could have from you
- Quantifying the payoff for the client.
- Building value units is also included here. A value unit is the following package: one of the client's needs, a feature you offer, benefits accruing from the feature, value of the benefits to the client, proof that you can deliver it, cemented by the client's agreement that this matters to him or her.

## Relationship Selling™

### Competency #5: Solving, Part 2

Until a person feels a direct connection with your offer, they remain detached and unmotivated to buy. By person-

alizing your message and involving the customer in the dialogue or demonstration you will increase their motivation to say yes.

Our job as sales professionals is to assure that the client's needs are met while still addressing their wants (their "felt" problem). When we can stimulate someone to want what they most need we have done them a great service.

**Collaborating falls into two areas:  
Personalizing and Involving.**

**Personalizing** is getting the customer to understand and feel the value of your offer. This includes such items as:

- Selling benefits and solutions rather than features
- Presenting the value units that were built in the "showing relevance" process
- Illustrating your points with stories and examples that relate directly to your client
- Conducting demonstrations and giving actual examples that show the customer the value they will receive
- Using the customer's name and the name of their company as appropriate
- Referring to local and current items, people and issues in your presentation
- Using the customer's own words when responding to questions

**Involving** is getting the customer to participate in discovering the solution they seek. This includes such items as:

- Getting the customer to help you make the sale
- Asking for support
- Involving the customer in completing some of the steps in a demonstration, or in establishing a point-counterpoint role play discussion to illustrate a point
- Working as a partner in problem solving rather than as a persuader
- Putting yourself in your customer's position and speaking as his or her advocate
- Leading them through a series of questions to help them explore the benefits you can offer
- Working together to generate a plan.
- When selling to a committee or having someone take your proposal to others this means helping the prospect prepare to be an effective representative and advocate for you

- Assembling materials that they can use to sell others on your behalf.

## Relationship Selling™

### Competency #6: Commitment

Until someone says "yes" and puts pen to paper, all that precedes is just dialogue. The commitment phase is where the purchase becomes official. This is the process in which the prospect becomes a customer by shifting from merely considering the purchase to actually owning the product or service. This is where they start thinking as an owner.

The Commitment competency is a group of skills centered around two categories: Committing to the Solution and Committing to the Purchase.

**Committing to the Solution falls into two areas:  
Summarizing and Negotiating.**

**Summarizing** is giving benefit summaries and identifying next steps for your customer. This includes such items as:

- Giving benefit summaries, value illustrations and projecting what they will get
- Comparing statistics of owning vs. not owning your product
- Reviewing the reasons that they should want to buy
- Eliminating lingering concerns
- Getting buy-in from others involved in the decision
- Gaining minor and major agreements toward the buying decision
- Using opinion questions, trial closes, and confirming smaller details to free the way to the buying commitment

**Negotiating** is mostly about resolving the customer's concerns without reducing your price. This includes such items as:

- Working as collaborators toward finding solutions vs becoming adversaries in a disagreement
- Using tact and diplomacy effectively
- Agreeing to minor points without conceding major ones
- Apologizing when needed
- Letting the prospect prevail on some issues, standing



your ground on others

- Comparing your positions on various issues, noting areas of general agreement
- Responding effectively to objections and concerns
- Having organized answers to the most common concerns and questions
- Knowing how much flexibility you have on the three primary areas of negotiation: price, terms, and conditions.
- Measuring your actual net profit per sale
- Noting the use of concessions and give aways in the mix
- Considering the impact of your agreements on other departments and people in your business pipeline

## Relationship Selling™

### Competency #6: Commitment, Part 2

Agreement without action is merely intention. Action without agreement is anarchy. The most measurably significant part of the sale is the commitment to the purchase itself. This is when you learn whether all the rest of what you have done was done effectively.

**Commitment to the Purchase falls into two areas: Asking and Confirming.**

**Asking** is about clearly requesting the purchase and making it easy for the person to say yes. This includes such items as:

- Recognizing buying signals and knowing how to respond to them
- Knowing when to ask for the order
- Asking in a way that is natural and does not increase relationship tension
- Using the customer's words in the statement you make just before requesting the commitment
- Being clear about asking for the order
- Allowing for silence after you ask so that the customer can make the transition from considering the product into owning the product
- Rehearsing the request for the order with others so as to increase your confidence and poise when face to face with a prospective customer
- Eliminating implied apologies or uncertainty in the

way you ask

- Knowing what words have power and what words don't
- Making it easy for the prospect to agree to the purchase

**Confirming** is getting the formal commitment to buy. This includes such items as:

- Handling objections and concerns effectively
- Getting written commitments to specific agreements
- Summarizing agreements
- Eliminating lingering concerns or resistance
- Ironing out all details before concluding the call
- Measuring your actual closing ratio (calls to sales)
- Keeping records of the actual value of each sale
- Getting the official signatures on the documents
- Noting and confirming the credit card or account numbers
- Getting the vital data such as social security number, purchase order number, etc.
- Assuring that the customer is fully aware that he or she has made a commitment to buy and they know the amount, terms and conditions to which they have agreed

## Relationship Selling™

### Competency #7: Assuring

The biggest threat to a confirmed sale is a dissatisfied customer. We must remain conscious of our obligation to help the customer receive what was promised and enjoy the benefits it can provide. Our commitment to the customer has just begun.

The Assuring competency is a group of skills centered around two categories: Current Satisfaction and Continuing Loyalty.

**Assuring Current Satisfaction falls into two areas: Review and Follow Through.**

**Review** is giving an on-site summary of the value of buying plus a preview of next steps. This includes such items as:

- Orientation to ownership
- Providing owner's documents, manuals, and basic instructions
- Introductions to service personnel, samples, and assistance in start up procedures
- Initial hand holding

- Having the customer perform some of the functions in your presence (remember that operator error is the main source of dissatisfaction)
- Annual account reviews with existing customers, performance reports, and getting feedback from customers as to their buying or ownership experience, etc.

**Follow Through** is supervision of the delivery and initial steps of the ownership experience. This includes such items as:

- Call backs to check on delivery or initial use
- Checking with others within your company to assure that all goes as promised
- Getting feedback from the new owner that allows you to improve their experience immediately
- Doing little extra things that exceed the customer's expectations
- Making immediate corrections of problems or errors

The goal of this aspect is to cause the customer to feel safe, protected, cared about, and as if they are in the hands of an expert. This is where you deliver what you promised and determine how strong the trust bond will be for the future. Many referrals and testimonials are generated during the follow through process when it is done well.

## Relationship Selling™

### Competency #7: Assuring, Part 2

It has been found that as many as 85% of customers who changed to another supplier departed primarily because they felt their existing supplier was indifferent toward them -they didn't seem to care. Exceeding customer's expectations doesn't end just after the purchase. We must exhibit continuing loyalty to them if we expect the same in return.

**Assuring Continuing Loyalty falls into two areas: UpServing and Recovery.**

**UpServing** is adding value after the sale, increasing their satisfaction. This includes such items as:

- Holding yourself to high service standards
- Looking for ways to increase the customer's satisfaction without necessarily adding cost to you
- Showing customers that you care

- Sharing ideas for more owner enjoyment
- Passing along tips and new ideas
- Performing in-person service calls on occasion
- Doing periodic account reviews and reminding customers of the value they are getting
- Considering your customers to be your business family and showing it
- Holding customer appreciation events

Face time, actual in-person time with customers is a vital part of this mix. Even though email and cell phones allow us to communicate easily, nothing takes the place of in-person visits where appropriate. Use the right mix of forms of communication for each client. Upgrades and purchase increases also fit into this area.

**Recovery** is smoothly resolving problems and retaining the customer's loyalty.

This includes such items as:

- Resolving problems quickly
- Taking time to personally correct errors
- Showing up to demonstrate your concern
- Listening fully before responding
- Replaying a customer's words and feelings before trying to explain your position
- Making allowances for the emotional component in a problem
- Fixing the person first and then the problem
- Offering a sincere apology, acknowledging errors and insensitive behaviors, and describing to the customer how you understand his or her dilemma
- Providing compensation appropriate to the error and making symbolic gestures of apology or sympathy.

The main thing a dissatisfied customer wants to know is that you care and that you will do what is appropriate to make the situation right again. Don't delay in doing so. Recovery can be measured through repurchase ratios, customer retention and upgrades.

## Relationship Selling™

### Competency #8: Managing

Those who manage themselves effectively experience more success than those who are effectively managed by others. You are with you 24/7; you know your thoughts,

feelings, fears and dreams. Nobody can manage you better than you could manage yourself. Learn to be your own sales manager and your future will be in your own hands. If you work for someone else, be sure to follow and respect their guidance as well.

The Managing competency is a group of skills centered around two categories: Managing Sales and Managing Yourself as a sales person.

### **Managing Sales falls into two areas: Resources and Information.**

**Managing Resources** is using technology and other resources to improve your sales effectiveness. This includes such items as:

- Human resources such as coworkers, specialists and experts, your sales manager, sales coach, colleagues, family and friends, support team, and even your customers and centers of influence
- Reaching out to others for strength, wisdom and support is key to being your best. Managing your time wisely
- Knowing and respecting the prime selling time.
- Material resources such as sales tools, presentation equipment, demonstration models, computers, Customer Relationship Management or Sales Force Automation software, online presentation tools, resources within your own website, testimonials and case studies of successful sales or applications

**Managing Information** is keeping and using sales records to manage yourself effectively. This includes such items as:

- Keeping and using sales records to improve ratios of calls to contacts to presentations to sales to profits to customer retention to reorders and upgrades, etc.
- Monitoring your costs of doing business
- Knowing your best uses of time
- Recognizing your strengths and areas of vulnerability
- Managing business priorities
- Keeping good customer records and keeping your information up to date
- Tracking website usage, effectiveness of direct mail or email campaigns, sources of prospects, best selling products, and best areas for profit, etc.

# Relationship Selling™

## Competency #8: Managing, Part 2

The person who can manage him or herself effectively has an edge over all others who cannot. The people at the top of every profession are always the best self-managers. Sales is the one profession that is perfectly suited to those who can grow and motivate themselves because it is the sales people in any society who keep the entrepreneurial spirit alive.

### **Managing yourself falls into two areas: Growth and Motivation.**

**Growth** is about learning and improving, becoming a greater resource to others. This includes such items as:

- Lifelong learning
- Personal and professional goal setting
- Building equity in your career by acquiring professional assets such as reputation, relationships, credentials, education, experiences, net worth, and expert skills
- Developing all areas of your life: mental, physical, family, social, spiritual, career, financial and emotional
- Tracking and increasing your growth in each area
- Career advancement and social advancement
- Cultivating the habit patterns of the person you would like to be

**Motivation** is about self-leadership, getting yourself to do what needs to be done, when it needs to be done, whether you feel like it or not and still doing it well. This includes such items as:

- Maintaining a positive mindset
- Overcoming sales slumps
- Resisting performance plateaus
- Handling rejection effectively
- Managing your personal priorities
- Keeping yourself active in your career
- Reaching beyond your previous limits
- Challenging yourself and reaching outside your own interests to be of service to others to become a better person with each passing day
- Raising the standards to which you hold yourself
- Clarifying your dreams and goals and keeping them before you every day.

- Using tools, information, relationships and reminders to keep yourself at your best every day
- Encouraging others in their own quest to grow and succeed.

The foregoing descriptions of each of the eight competencies provides a shopping list for you to explore the specific skills, techniques and tactics that will make you a better salesperson right now.

Don't try to work on all of them, just get surgical about it. Find the two or three items that would do the most good for you now and work only on those for the time being.

You will find that your results far outpace the work you do. When you are working on the right skills then your successes will come about quickly and abundantly.

Go back and highlight the areas you need to work on soon. Keep this list handy and refer to it often to help yourself grow.

## The Five Ps of Marketing

Back in the Industrial Era, when we taught marketing, we would teach people the four P's: Product, Price, Place, and Promotion. If you have the right product, at the right price, in the right place, with the right promotion, you will be successful... or so we thought.

Well, that works pretty well until you think beyond the initial sale. If you start thinking beyond the initial sale, you recognize that one of the primary keys to the whole marketing mix is the individual, the human factor.

So we might add a fifth P to this mix: Product, Price, Place, Promotion and Person, or People, if you prefer. Almost every marketing class still teaches the "Four P's of Marketing," but today, more and more of them have come to recognize that success comes from the right person, with the right qualities, being in the right place, with the right price, the right product, and right promotion.

So think about marketing and how you can add yourself to that mix in such a way that you expand the possibilities.

Look at the Five P's. Which one do you need to work on most right now? Do you need to work on yourself, to increase your skill as a sales person? Do you need to work on improving your product or your offering so that you have more value to bring to the person who buys? Do you need to look at your price, and find creative ways to present or alter your price, so that it's more appropriate to the market or person who's buying it? Do you need to examine the place from which you're marketing, the locations, the ease of access? Do you need to look at how you're accessible online or how you're accessible geographically to make it easier for people to buy from you? Or, do you need to look at your promotion to see what kind of brand identity you're projecting into the marketplace? Which is it you need to work on most right now? Product? Price? Place? Promotion? or, People?

## The Relationship Or The Sale?

*Relationship Selling™*. Which word is more important? The relationship? Or the selling?

I've asked that question of many audiences and typically they'll say, "It's the relationship that's the most important."

If you build a good relationship with somebody in business, and you never make a sale, what's that worth to you in round numbers? Zero. In other words, the relationship without the sale is not worth much.

On the other hand, what if you make a sale to someone, but you do it in such a way that you don't cultivate a relationship with him or her? How hard is the second sale going to be? Not only as hard as the first, it will be harder than the first. People today expect that we will be professionals in selling. They expect that we will connect with them and be their business friend, that we will be there for them to see to it that they get what they bought, that the product or service is delivered with integrity, and that the decision they made to do business with us turns out to be a solid business decision.

The relationship matters and the sale matters. It's not either/or; it is one phrase -*Relationship Selling™* - that describes a way of going about making sales, building rela-



tionships, and cultivating profitable, ongoing connections with people.

In the decade or two just after World War II, sales people perfected what we now call the Traditional Selling Approach. This approach relied heavily on a great opening pitch and a strong powerful close. It was largely one-sided, the sales person didn't take much time to understand the prospect and didn't care about his or her needs. Instead they "created" needs. The prospect learned a great deal about the salesperson's product because it was all salesperson presenting, prospect listening. Then the prospect would decide whether or not to buy. Of course, if they resisted buying, the salesperson had dozens of ways of overcoming that resistance.

Selling today is more about relationships, about connections with people. Prospects are choosy. They won't waste a lot of time on unfocused sales pitches or old-fashioned notions. They want to develop a useful, professional relationship with sales people and suppliers who can help them solve problems and help them answer questions

In *Relationship Selling*<sup>™</sup>, the sales person takes time up front to build a sincere, committed relationship, and they do this by investing time in learning about the customer's needs.

What we're looking for when we go out to connect with someone is to build a relationship, which is based on the assumption that we're, at the same time, generating sales. *Relationship Selling*<sup>™</sup> is about making sales while building relationships.

## Become the Person You Will Need to Be

The quickest way to assure that you build meaningful business relationships is to be sure that you are worthy of it and ready for it. I tell my seminar audiences, "*If you want something, then plan to deserve it.*" So, how do you intentionally deserve something?

The answer is relatively simple; you focus on developing in yourself the qualities of a person who would deserve it. In other words, become the person you will need to be in order to achieve or receive what you desire.

The same process can apply to landing a large account. Ask yourself, what kind of person would probably land this account? What are the credentials they'd have? What personal qualities would they possess? How would they work with others? What special knowledge might they possess? Why would this client want them to be their sales representative or account executive? Then systematically acquire those traits.

Another approach to becoming the person you will need to be is to study those who are already enjoying the success you seek. Study the whole person when you can. Ask such questions as: Is this person fully successful or simply earning big money? What is the main impression others get from this person? What qualities stand out in him or her?

How does this person behave under stress? What do clients get from this person that they don't get from others? What has his or her path been? How did this person get to their current position? Then you can go and do likewise.

But remember, you are trying to become the best possible you, not a newer version of this other person. It is your best that you want to achieve, not theirs. Emulation of others is helpful on some levels, but trying to be just like them will deny the greatness in you.

Ask yourself, "If I got all the breaks, did my very best, and truly applied myself, how good could I be?" The answer to that question is the picture of the person you will need to be.

For six years I served as the sales coach for a team of 19 insurance agents. During our time together, they went from being an agency that was scheduled for shut down to an agency that won the President's Trophy twice as one of the top five out of 120 agencies. The difference among the individual salespeople was remarkable. Some were bold and energetic, some mild and quiet. Some were models of organization while others had trouble keeping records at all. Some had lengthy professional credentials and others had no degrees or certificates at all. But all were professionals. All were eager students of their products and of their customers.

During my time there I learned to help each person find his or her own way of selling successfully. Sure they all had to learn the company's systems, but the way they applied them varied. Where one agent would thrive among doctors and lawyers, another would struggle, but they'd

succeed with educators. Another was best with entrepreneurs and small business owners. Some had elaborate sales presentations while others seemed to spend all their time just listening to the prospects. Each found his or her own style of selling.

One agent, whom we will call Bill, had an especially difficult time at first. He was in his early forties and had a law degree and was a certified public accountant. Upon joining the agency he studied for and obtained his chartered life underwriter (CLU) designation. In addition to that he had been the mayor of his hometown and was very active in society.

How could HE have difficulty? Well, his problem was not a lack of intellect, ability, connections or skills. He lacked confidence.

His insecurity was not a lack of Self Confidence but rather it was Sales Confidence. He didn't feel that he could sell any product that he wasn't an expert at explaining. Bill always delayed telling his clients about the products we offered that he hadn't yet mastered. One day I confronted his reluctance.

"Bill", I said, "you have missed many sales opportunities and have failed to help several of your clients with our best products. Why is that?"

"It's because I don't bring up subjects that I cannot speak on with confidence."

I said, "This is causing problems for you and your clients. Let me suggest a new approach for you."

"For the next week I want you to try an experiment. Leave all your sales materials in the office and make every call this week with only a notepad and a pen."

"Why would I do that?" he inquired.

"Because you need to explore a different selling style," I replied.

"All this week I'd like for you to tell your clients and prospects, 'The reason I didn't bring any sales materials with me today is this: I am not yet sure that I fully understand what your priorities are and what you want me to help you accomplish. So, let's just chat and focus on clarifying exactly what you want.' Bill, if you will do that with everyone this week, I suspect you will have even better sales results

next week."

He agreed to give it a try and with notepad in hand he went forth to make his "get-a-better-understanding-of-my-customer" calls.

At the end of the week he was virtually bouncing off the walls with sales enthusiasm.

I asked what had happened and he said, "At first this was really awkward, but as I got into it, I could see my clients truly taking the time to tell me their dreams and concerns. As they did so, I started seeing where the best sales opportunities were and when I got back to the office, I presented my findings to the product experts for suggestions. The net result is that I'm selling more without explaining my products than I was when I explained them in minute detail!"

Bill's transformation from a technical "educator" sales rep into a "customer advocate" sales rep was highly profitable. Later that year he made the largest sale in the entire company and earned himself a first year sales commission of \$300,000 on just one sale.

Now his style might not work for you but it certainly shows how valuable a change to the right selling style might be. Some people are best when following a sophisticated system, others are best at doing one proven process again and again. Some thrive on the challenge of new calls, others are better at a more service oriented process. Find your path. Study your own sales strengths, and over time, learn to tailor your selling style to fit your natural abilities and interests. Be yourself, and be your BEST self every day.

This book has guided you through the same thought processes I helped steer agents like Bill through. By following these guides you will discover your own best style of selling. Don't give up too early. Keep following Socrates' advice "Know Thyself" for as long as you are in business. Then tailor your working style and your life to spend your time "Being Thyself" as best you can be. You have everything you need in order to be highly successful in selling. The key is to continually learn to use it well. Good Selling!

(To browse products in Jim Cathcart's Relationship Selling™ Sales Readiness Series, visit <https://secure.parkerwebsolutions.com/cathcart/orderform.html>.)