

# **Sales Management**

## **Session 4**

# Selling Process

## STEPS IN THE SELLING PROCESS

- Most sales training programs follow the major steps for effective sales (or selling) process.
- Salespeople carry out various activities to create sales and satisfy customers.
- These activities of salespeople are recognized as the steps of the selling process.
- However, there is no one method that can be used to close every sale.
- Not all types of selling activities pass through the eight steps of selling

# Selling Process

## STEPS IN THE SELLING PROCESS

- The steps in the selling process are suggested to work better in certain situations, based on experience.
- There is no magic formula to make a sale.
- However,
  - it is widely believed that if a salesperson follows the suggested steps,
  - the chances of success are greatly improved.

# Selling Process

## STEPS IN THE SELLING PROCESS

- The more prepared a salesperson is, the greater the chance of making a sale.
- Research confirms that in order to perform at satisfactory levels,
  - salespersons should master basic selling abilities.

# Selling Process

## STEPS IN THE SELLING PROCESS



# Selling Process

## STEPS IN THE SELLING PROCESS

### PROSPECTING

- Prospecting is the process of identifying potential customers for the company's products and services.
- Even if the salespeople are busy or how well they perform,
  - if they want to achieve consistently good results in sales,
  - they must do prospecting every day
- The inflow and retention of **prospects** should be more than the outflow of customers

# Selling Process

## STEPS IN THE SELLING PROCESS

### PROSPECTING

#### Methods for Identifying Leads

- ❑ To maintain a constant flow of new prospects,
  - ❑ companies use various ways for identifying or generating leads
  - ❑ (i.e. obtaining names and addresses of probable prospects).

# Selling Process

## STEPS IN THE SELLING PROCESS

### PROSPECTING

#### Methods for Identifying Leads

- ☐ Consulting existing customers,
- ☐ Referrals from external sources,
- ☐ Referrals from internal company sources,
- ☐ Use of Standard Industrial Classification (SIC) System,
- ☐ Referring publications,
- ☐ Networking by salespeople,
- ☐ Cold canvassing
- ☐ World Wide Web.



# Selling Process

## STEPS IN THE SELLING PROCESS

### QUALIFYING

- ☐ It is important that the lead is qualified
  - ☐ to meet the necessary standards or conditions
  - ☐ to receive further attention.
- ☐ There are necessary conditions or
  - ☐ criteria for the probable prospect or the lead
  - ☐ to get qualified to the prospect or potential customer

# Selling Process

## STEPS IN THE SELLING PROCESS

### QUALIFYING (Three Conditions)

- ☐ The probable prospect has a need for the product or the service being sold.
- ☐ The probable prospect (could be an individual, a family or an organization) can afford (or has a financial capacity) to buy the product or the service.
- ☐ The lead or the probable prospect has an ability to make a decision.

# Selling Process

## STEPS IN THE SELLING PROCESS

### QUALIFYING

- ❑ The leads, after qualifying, are placed in three groups, i.e.
- ❑ (i) Hot prospects,
- ❑ (ii) Warm prospects,
- ❑ (iii) Cold prospects.

# Selling Process

## STEPS IN THE SELLING PROCESS

### QUALIFYING

- **Process of Prospecting and Qualifying**

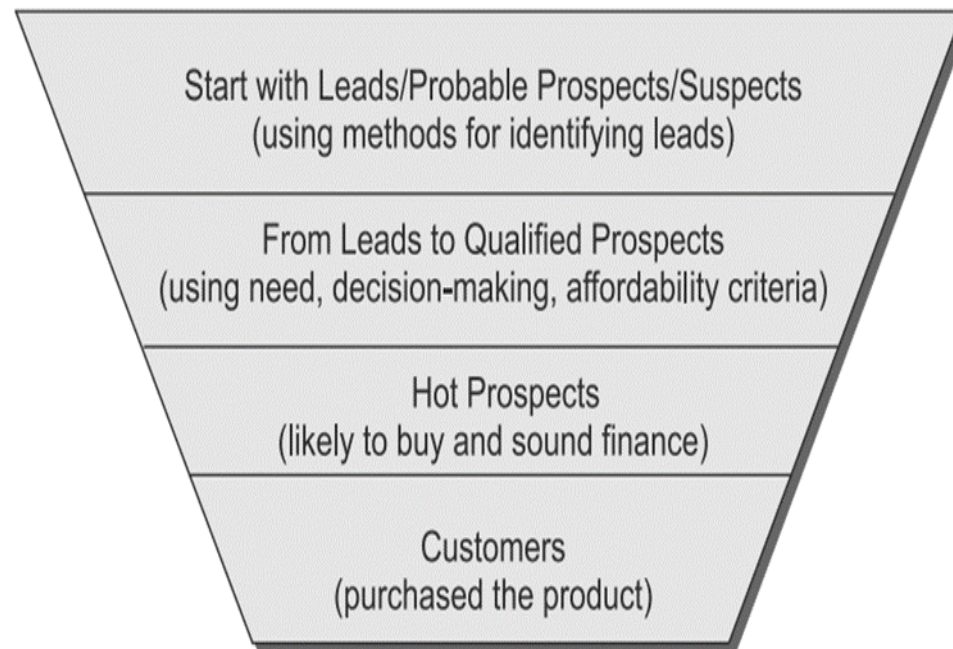
- ☐ Successful salespeople understand the importance of the process of prospecting and qualifying.
- ☐ They make use of the concept of the sales pipeline or sales-funnel.
- ☐ The process of prospecting starts with the company identifying the names and addresses of the leads (also called suspects or probable prospects).
- ☐ The company uses a number of methods for identifying leads

# Selling Process

## STEPS IN THE SELLING PROCESS

### QUALIFYING

- **Process of Prospecting and Qualifying**



# Selling Process

## STEPS IN THE SELLING PROCESS

### PRE-APPROACH

- The pre-approach step generally includes two tasks:
  - (i) Information gathering in greater depth about the prospect
  - (ii) Planning the sales call on the prospect

When a salesperson plans the sales call, before paying a visit to a prospective customer, he should consider four questions

- (i) Whom to see?
- (ii) Where to go?
- (iii) What are the call objectives?
- (iv) How to approach the prospect?

# Selling Process

## STEPS IN THE SELLING PROCESS

### APPROACH

- After collecting the prospect's name and other relevant information,
  - the next step is to make an appointment to see the prospect.
  - This is called the 'approach'.
- The approach (or meeting the buyer for the first time) takes a few minutes of a call, but it can make or break a sale.
- **Introductory Approach & Use an Opening Benefit statement**

# Selling Process

## STEPS IN THE SELLING PROCESS

### DISCOVERING AND UNDERSTANDING BUYERS' NEEDS

- Salespeople should know that
  - individual consumers and business organizations
  - buy products and services
  - to satisfy their needs or
  - to solve their problems.
- It is important, therefore, for salespersons to discover and understand their buyers' needs or problems.



# Selling Process

## STEPS IN THE SELLING PROCESS

### DISCOVERING AND UNDERSTANDING BUYERS' NEEDS

- The best way to uncover and know the buyers' needs is by asking questions.
- In successful sales calls
  - it is the buyer who does most of the talking and
  - not the salesperson.
- Effective salespeople get customers to talk by asking smart questions.

# Selling Process

## STEPS IN THE SELLING PROCESS

### DISCOVERING AND UNDERSTANDING BUYERS' NEEDS

- Companies like IBM and Xerox sponsored Huthwait's research of 35,000 sales calls, based on which SPIN model was developed, particularly for high-value business-to-business sales.
- In SPIN model, there are four types of questions that salespeople can ask buyers to find, clarify, and understand their needs.

# Selling Process

## STEPS IN THE SELLING PROCESS

### DISCOVERING AND UNDERSTANDING BUYERS' NEEDS

- Situational questions,
- Problem questions,
- Implication question
- Need-payoff questions.

# Selling Process

## STEPS IN THE SELLING PROCESS

### Sales Presentation

- After understanding the customer's needs, the salesperson moves into the sales presentation.
- Although most presentations are oral,
  - often business customers ask for written proposals,
  - quotations or offers before oral presentations.

# Selling Process

## STEPS IN THE SELLING PROCESS

### Sales Presentation

- A written proposal or quotation includes
  - technical specifications of the product or service that meets customer's needs,
  - price,
  - terms of payments,
  - delivery schedule,
  - taxes and duties,
  - proof of claims,
  - additional benefits like service,
  - training,
  - guarantees that enhance the proposal.

# Selling Process

## STEPS IN THE SELLING PROCESS

### Sales Presentation

- Salespeople must know the various methods (or approaches) used for making a sales presentation.
- Stimulus-response method (or canned presentation),
- Need-Satisfaction method (with FAB approach),
- Consultative selling method.

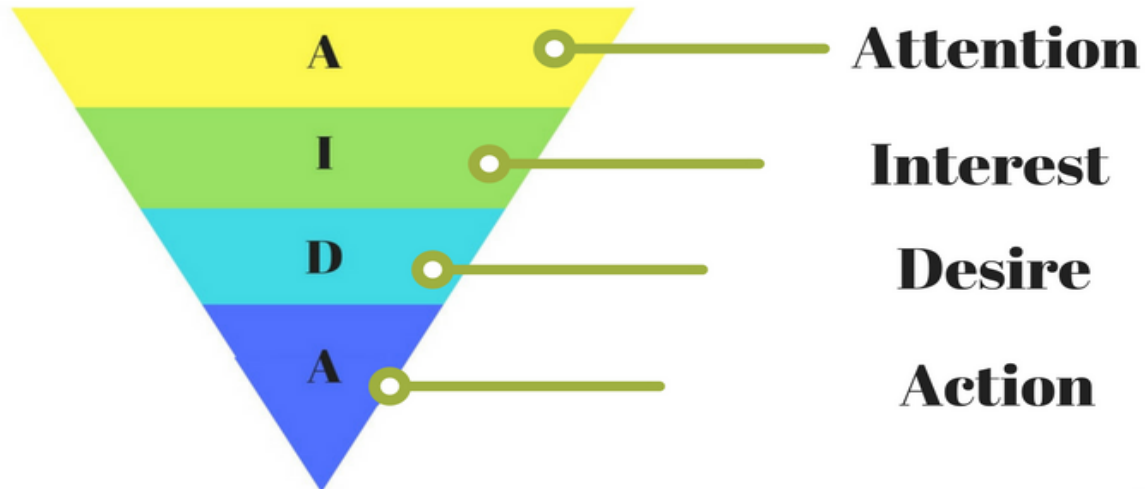
# Selling Process

## STEPS IN THE SELLING PROCESS

### Sales Presentation

Formula method (AIDA model),

#### The AIDA Model

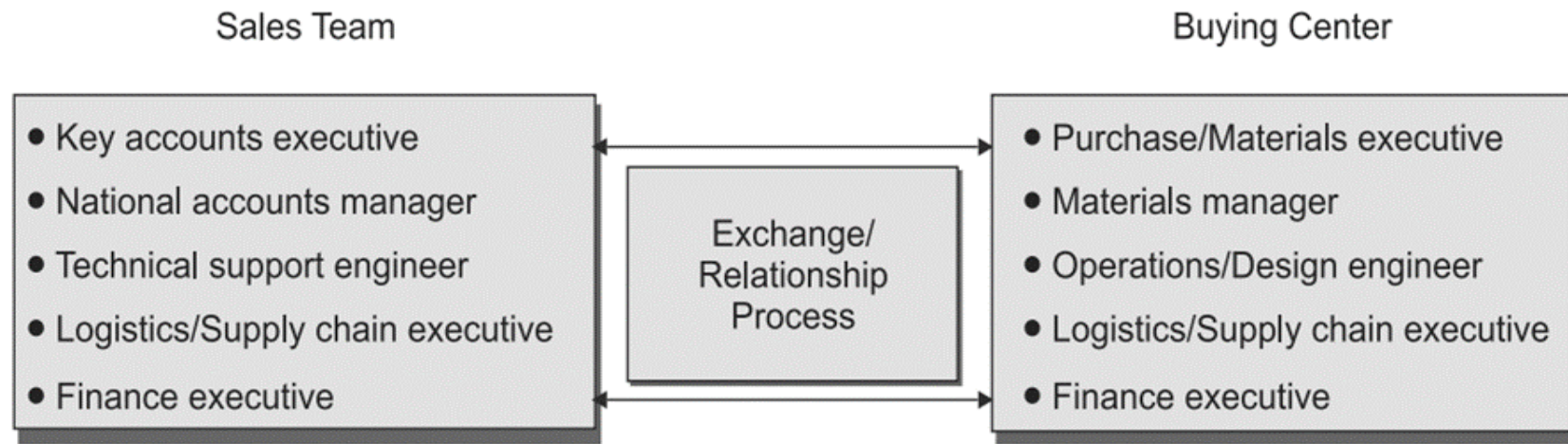


smekdigital.com

# Selling Process

## STEPS IN THE SELLING PROCESS

### Sales Presentation - Team selling method



**Relationship Process between Sales Team and Buying Center Members**



# Selling Process

## STEPS IN THE SELLING PROCESS

### DEMONSTRATING THE PRODUCT

- ❑ Demonstration is one of the important selling tools of a salesperson.
- ❑ Sales presentation can be improved by demonstration.
- ❑ Demonstration proves the benefits of the product
  - ❑ reduces the risk of a wrong purchase to the buyer.

# Selling Process

## STEPS IN THE SELLING PROCESS

### DEMONSTRATING THE PRODUCT

- ❖ Buyers' doubts or objections are cleared and their questions are answered.
- ❖ This improves a buyer's purchasing interest.
- ❖ It provides a good support in the selling process.
- ❖ It helps the salesperson to find out specific benefits for the prospective customer.
- ❖ **Planning and Conducting Demonstration / Types of Demonstration.**

# Selling Process

## STEPS IN THE SELLING PROCESS

### HANDLING OBJECTIONS

- Objections, resistances or oppositions may typically take place
  - during a sales presentation or
  - when the salesperson asks for the order from the prospect.
- Objections should be welcomed .....Result in Sales
- **Psychological, Logical/Practical**
- **Ask Questions**
- **Deny Objections Tactfully**

# Selling Process

## STEPS IN THE SELLING PROCESS

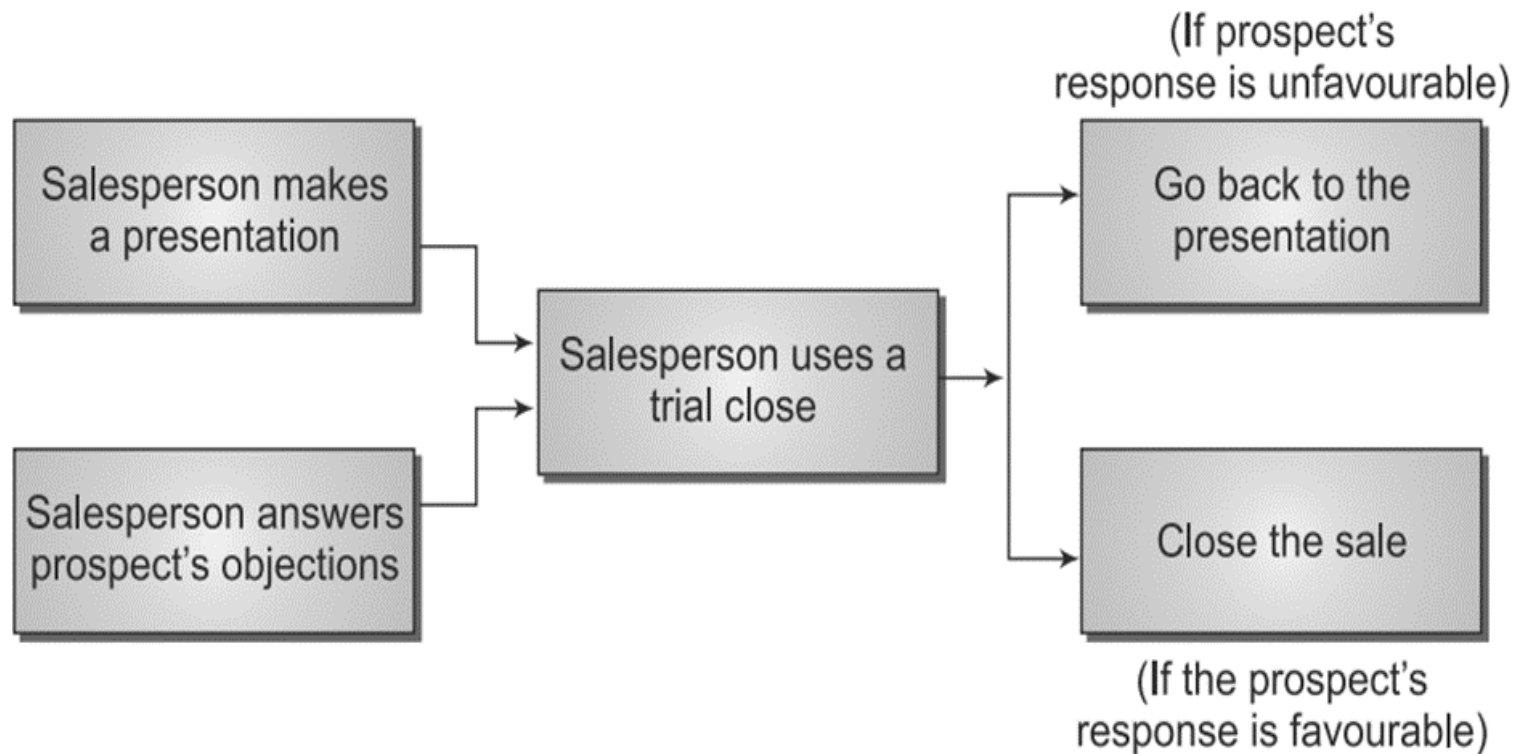
### TRIAL CLOSE AND CLOSING THE SALE

- If the salesperson has answered the objections of the prospect satisfactorily,
  - then this is the right time to close the sale.
- Closing the sale means asking for the order.
- A good salesperson, before closing does the trial close.

# Selling Process

## STEPS IN THE SELLING PROCESS

### TRIAL CLOSE AND CLOSING THE SALE



# Selling Process

## STEPS IN THE SELLING PROCESS

### CLOSING Techniques

- **Alternative-choice Close**
- **Minor Points Close**
- **Assumptive Close**
- **Summary-of-benefits Close**
- **T-account or Balance Sheet Close**

# Selling Process

## STEPS IN THE SELLING PROCESS

### FOLLOW-UP

- Salespeople must understand that their job is not over after the receipt of the order.
- Successful sales people follow-up a number of related tasks, some of which are called customer service
- **Check Customer Order**
- **Plan Follow-up Visit at the Time of Delivery**
- **Account Penetration**
- **Relationship Marketing**