POCKETSMARTS
PLAYBOOK

J. D. Maxim

READY TO SELL

YOUR INSIDER'S GUIDE TO SELLING CONSUMER PRODUCTS FOR RETAIL

PLAY SMARTER - SUCCEED FASTER

PocketSmarts™

Ready to Sell

Your Insider's Guide to Selling Consumer Products For Retail

1st Edition, Amended

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To my:

Peers for their **generosity**,

Buyers for their collaborative **spirit**,

Competitors for the **challenge**,

Family for their **love**.

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To live a dream:

"Before a dream is realized, the Soul of the World tests everything that was learned along the way. It does this not because it is evil, but so that we can, in addition to realizing our dreams, master the lessons we've learned as we've moved toward that dream. That's the point at which most people give up."

Paulo Coelho, The Alchemist, Author who has sold more than 350 million books worldwide. 2017 nominee by the Albert Einstein Foundation as a leading visionary of our time.

Preface

6:30 AM. OPEN YOUR EYES. Peel back your sheets and stumble your way into the bathroom; splash your face with soapy water, freshen up, get dressed and tame your tangled hair. Grab a quick bite to fuel the day ahead, put your headphones in, hit that playlist and step out into the world, your day starts. Go!

In a swift flurry, you touch an incredible array of products to help you shake-off the groaning urge to crawl back into bed; the tools you rely on to give you a fighting chance of conquering your day. Your morning ritual is a mere inkling of what is to come in the waking hours ahead; each moment punctuated with objects you purchase to fulfill necessity and nurture desire.

The products we choose to surround ourselves with are the props in our life stories. They say a lot about who we are and how we want the world to see us. Perhaps we are a designer shoe wearing, walking talking success story, or an understated, hooded entrepreneur.

Items have been traded flint-for-fur since the stone age, yet one thing is certain; products have never been such a big part of our lives. For better or for worse, consumer culture underpins our society. A trusted toothpaste, a soothing shampoo or our favorite 4pm pick-me-up treat. Noise cancelling headphones, the pen we write with or a late night alcoholic tipple. We fill our living moments with things that make our daily experiences easier, tastier and richer.

For brands hoping to be hit scale stores are the place to be, making good retail distribution a common ambition for small and large brands alike. From the conception of an idea, to design and manufacture, to marketing, selling and re-selling; consumer products are BIG business, and they are here to stay.

According to U.S. Census Bureau statistics, the retail industry is the biggest private sector employer in the world's biggest economy. The National Retail Federation estimates that from concept to consumption, the production, movement and selling of retail goods supports a staggering 42million jobs in the U.S. alone; equivalent to 1 in 4 of the entire workforce. Not only is retail huge, but it is a consistent source of new value creation, averaging +4.5% a year for the two *decades* preceding 2016.

Mass consumption of products is not an American phenomenon. It is a global one. An e-marketer report estimates the global retail industry to be worth a mind stretching $24 *trillion* dollars annually. Just how much is 24 thousand, thousand, million of anything? Well, in dollar terms it's enough to make the worldwide retail of consumer products worth more to the global economy than the entire GDP, or value added economic productivity, of Europe *and* South America combined. Suffice to say, trading goods is fundamental to our way of life. Wherever you happen to live on our shared planet, buying and selling consumer products puts food on the table of families local to you.

The battleground for sales is fought over by an awe inspiring array of businesses of all shapes and sizes. These businesses produce an incredible multitude of product variants; Amazon alone sells more than 398 million items at the time of publishing.[1] These products compete alongside categories of similar products for shopper spend at the cash register; virtual or otherwise. This selling war between manufacturers materializes in the tangible fight for space in-store on, and for online traffic.

In this age old campaign, the corporate machine with an insatiable appetite for eating the weaker guy and the authentic challenger brand share two things in common; the potential financial prize available to both is immense, the risks are many.

Winners become household brand names, earn consumer loyalty and reap staggering reward. The teams that deliver results in this environment win professionally and bring home their their share of the reward.

Competition is stiff and competitors are astute, so are buyers. In a world surging at pace through the 4th industrial revolution, digital change is empowering every stakeholder in the supply chain. More data is available to us than ever before. Everyday more, buyers and brand owners alike place data informed decisions at the heart of strategy for new innovation, sales pitches and range selection.

In today's growing global market the big guys with multibillion turnovers have even more to gain. They work hard to out-think, outspend and ultimately outsell their rivals. Leaders go out of their way to hire the best talent, with safe hands and sharp brains, who prove year after year to be capable of growing their businesses. In doing so they sustain their place at the top of the food chain and take market share from their formidable rivals.

Despite the apparent barriers to market entry, niche brands emerge daily. These innovators serve end user needs in new and exciting ways which see them rewarded with market entry and lightening fast growth. For them, serving end user needs well is a necessity above all else. The livelihoods of the teams who build these businesses from the ground-up are reliant on their own agility to do so if they are to carve themselves a seat at the table.

In such a competitive industry, how can you win? As a salesperson, how can you make sure that it is *your* product which sells on a target retailer's shelves, or is clicked into their e-commerce baskets? The answers to those questions are revealed in the following pages.

Why Has This Book Been Written?

I know how hard it can be when you are starting out in sales.

At the age of 22, educated with a masters degree and with two failed college start-ups to my name I left formal education with a mission - to learn how to sell.

Having seen first hand how difficult it can be to drive scale into my own ideas, I reasoned that learning how big businesses do business would be a sound place to start. Joining one of the most powerful mass market product manufacturers in the world, I found myself surrounded by young talent, eager to kickstart my entrepreneurial journey.

Getting by in a big city on a trainee's paycheck wasn't easy, despite opting for 'cosy' over luxury at any opportunity. I moved from the country to a tiny attic apartment the city and commuted 90 minutes either side of a 12 to 15 hour working day. At the end of it, I would fall into a dilapidated, foldout, bed that I shared with my partner. The space we called home was so small that neither of us could standup straight, and when we slept our toes touched our TV. On a Sunday night we would take it in turns to iron our clothes on a miniature ironing board, which lived in our miniature shower between uses.

My girlfriend lent me the little money she had to help me buy my first business suit. I came to borrow a lot more along the way; money for rent, food and travel. Credit cards usually bore the burden. For the first few years at working in professional consumer goods sales, I felt like I was sprinting to stand still, failing and succeeding, often at the same time. Emotions fluctuated between elation and exasperation on an hourly basis. On my commute I would ask myself if 'I really knew what I was doing,' and 'whether I wouldn't be better off doing *anything* but sales? My regular conclusion from these inner battles? “Chin up, knuckle down…”

This is no sob story. I pushed on, learned to sell better and sold more. I started to feel like I was onto something. I moved from the company’s smaller accounts into the best sales positions, and delivered record breaking brand launches in our largest customers. Things were starting to click. This was a time where friendships were born too. In tight teams my colleagues and I fought the same grizzly competitors for market share across a number of categories and customers. We learned from each other.

Conscious of my original mission, I studied the patterns in my successes and failures, sharpened my sales methods and practiced different techniques. I finally left my first employer grateful for the education they had given me. The following years were spent developing sales for SMEs in search of new opportunities to learn my craft. I have been fortunate to relaunch faltering consumer brands across intentional borders, and also to set sales strategy, build teams and open new distribution channels customers for start-ups. Along the way, I have seen one of those businesses achieve more than 20 million USD sales in revenue rates within 18 months of first ever retail customer shipment.

It wasn’t all hard work and tears, in fact, it has been fun. My rock, that incredible girl who somehow found the resolve to stand by my side throughout it all, finally, chose to become my wife. Looking back at the most painful years though, I now know that it didn’t always have to be *so* hard.

The lessons I have learned can be taught and shared. The quicker the learning, the more enjoyable and rewarding life can be. My hope is that this book might lift others; perhaps slightly younger versions of myself, to succeed that little bit faster.

Who Is J. D. Maxim?

J. D. Maxim is a pen name. I still move in the game you play. I may very well be your boss, your supplier or your competitor.

Anonymity empowers me to lift the lid on the knowledge, strategies and tactics required to sell consumer products well. The selling secrets covered in these pages are not blunted to protect current, or future buyer-seller relationships. Nor are they shared herein to promote my own name.

In addition to my own career, this book benefits from a team of gifted and exceedingly generous contributors with more than 90 years experience in the industry. They sell for businesses that own more than 115 brands, with global revenues exceeding $80 billion dollars.

You may sell snacks, whiskey, or lipstick. Your customers might live in San Francisco, London or Moscow. You may represent established household brands; launching new innovation into saturated categories, or be selling existing customers new commercial plans for established products. You might even be hitting “go” on your own start-up.

As the author and contributors, we have been there. We have fallen hard at times. In those moments we have picked apart the fault that caused us to trip. We have dusted ourselves off, improved our approach and gone on to deliver. The key takeouts from the lessons learned along the way, and a robust, fast track method for selling consumer products are shared anonymously herein.

What Can You Gain From These Pages?

Ready to Sell, is a guide to selling products with success.

The following chapters will introduce you to three home truths, four cornerstones of category selling, and finally five crucial plays. Acknowledging the truths uncovered is the starting point for creating a successful approach to sales. The plays which follow then build on the cornerstones of a *category* selling strategy which, with practice, will enable you to sell your products with maximum effect; both to buyers in the boardroom, *and* to real life shoppers at the cash register.

In practical terms, acknowledging the three truths, finding your selling cornerstones, and running the five plays will empower you to:

1. **Get the most from yourself**, your time and your sales efforts.
2. **Leverage insight**, to identify the best opportunities and maximize revenue
3. **Win your retail customer’s attention**, and hold it.
4. **Position your sales pitch to succeed**, so that you never need to push a hard sell, or weaken your negotiating hand, when you go for the close.
5. **Profit from pushback**, every time.

How Is The Content Delivered?

If you sell, then you're probably information rich, time poor and target driven. Understandably, while reading this you're no doubt casting half a mind to things which need to be done to deliver results, hit targets and get paid.

This book is structured to get you the information you need to know to succeed, in the shortest time possible; 2 and 4 hours or reading time should do it, depending on your reading speed, and whether you pause to complete the practical exercises throughout. Designed to be read on the way to and from a customer meeting, or across a few morning commutes, each chapter contains a brief textual introduction to the key issues which you need to know in order to sell well, day after day.

Bullsh*t free, the language and content that follows is intended to be informative and stimulating, if not at times, frank. The ideas presented can be used as a robust introduction to selling consumer products, or a quick reference guide for the seasoned professional.

Visual illustrations and practical activities are included to solidify key principles. Lengthy explanations are replaced with simple models, bullet point lists and questions to aid you through key scenarios in your own day to day.

In addition, practical *Top Tips* and key *Watch Outs* are shared so that you can avoid some of the most common selling mistakes; saving you time, money and numerous headaches.

Sometimes a little math can go a very long way in sales. Where needed to succeed, fundamental calculations to support your sale are made easy. They are brought to life with uncomplicated examples so that you, the reader, can add additional numeracy skills to your repertoire.

As you will come to see, the experts don't always succeed by working harder, or sacrificing more hours than their competitors. More often they have learned to play *smart*. Now, those selling smarts can be yours.

Is This For Me?

Are you starting out at a global consumer products brand? Perhaps you're a sales or marketing veteran keen to brush-up on your selling skills? Maybe you plan to launch your own brand and want to know how to turn your vision into commercial reality?

If so, read on…

Selling is not taught at school, college or university.

As people who sell, we are lucky if our careers are scattered with the occasional training course. The quality of those can vary wildly.

Educated or not, when you start out in sales, you'll start at the bottom. If this is where you find yourself right now, stay calm, it's where the learning happens. You're in a place where mistakes can be made and skills honed in your daily buyer-seller interactions.

In fact, with the world changing at its current pace, we'll find ourselves in trouble tomorrow if we ever stop learning today. The key to moving from surviving to thriving in this cut-throat industry is to embrace every opportunity to learn. But just how do great sales professionals learn their skills?

As sales people, we are usually the ones who find ourselves in the thick of the action. The default path to development comes in the form of learning by doing. There's certainly a lot to be said for this style of learning too. As humans our lives are experiential. Lessons we learn through action tend to be profound and they usually stick. Retained knowledge is the reward we receive for our effort and sacrifice.

Unfortunately, the problem with learning on the job is also painfully clear to see. Just how much we benefit from the iterative process of trial and error, is limited by two things; the amount of time we invest in our learning, and how well we can answer the questions ,"where did we go right?" or, "exactly what went wrong?"

When we learn the hard way, we take longer to reach peak performance. In a target driven environment, when we sacrifice time to learn on the job we miss opportunities to sell more, and earn larger rewards along the way.

It is in our interest, and those of any business we work for, to learn more quickly and to apply our new knowledge earlier in our careers so that we may succeed faster.

Some refreshing news! If you want to broaden your understanding, accelerate your learning and pick up the skills you need to sell effectively now, then you're looking at the right book. These pages assume nothing of your prior selling knowledge, start at the basics, and swiftly progress to reveal the selling strategies suitable for the consumer goods world. They then share practical methods for implementing them for immediate results in your day to day.

If you're someone who already knows how to work hard, why wait 10 years to develop the selling smarts which will empower you to succeed now?

Let's get started…

One

Why Sell?

Context - it pays to be a great salesperson

> *"Fortune favors the brave."*
>
> *Virgil, Roman Poet*

> *"It's not about having the right opportunities. It's about handling the opportunities right."*
>
> *Mark Hunter, Sales Guru*

SOME PEOPLE ARE NATURAL BORN SELLERS, are they not? Brimming with charisma, charming and capable of selling a popsicle to a snowman? Not so.

Selling in the consumer goods world demands a number of skills and qualities. Strong communication, strategic foresight and basic numeracy, all of which can be developed, go a long way in shaping a sales career. Empathy, charm and emotional intelligence are some of the softer qualities which count too. Far from feeling like cheated snowmen, professional buyers *enjoy* buying from great sales people. They go back to them to buy again, and again.

These abilities, while no doubt easier to obtain for some than others, are not born into you. They are acquired and they are practiced. You are never going to negotiate a multimillion dollar contract with a 4 year old, and that's not because 4 year olds aren't cute. Neither is that because they wouldn't love to take all your money and spend it on candy, but thankfully, they're still working on the range of skills they need to do just that. Similarly, when we start in professional sales we must *learn* the skills of our profession; starting with the most basic, before adding more advanced techniques to your selling toolkit.

Think of the archetypal used car salesman and you will likely conjure the mental image of a silver tongued, flash suited steamroller of a guy; someone who will do and say anything to make you buy what they have to offer, a genuine *Wolf on Used Car Street*. In the world of consumer goods, the days of the hard sell are numbered and its pushy practitioners are increasingly sidelined.

Adapted from the 1984 play for the motion picture starring Alec Baldwin, the Glengarry Ross approach to sales management scores highly on entertainment value. Managers bark at sales teams, who rush customers into bad deals. Steak knife bonuses await top sellers. Public firings are on offer for under performers.

As an example of sales practice, however, it is no longer relevant. The world is simply awash with too much data to make the hard sell the appropriate sell. This is especially true when your buyer is a professional, and your proposal is to list an item for ongoing resale. If your proposition isn't suitable, there is a high probability that your target will know about it. If they don't, you'll both discover the truth when repeat orders fail to materialize after your initial sale.

The fact that the hard sell is dated, does not mean that selling strategies aren't common. Far from it, selling techniques have had to develop with the times. In the contemporary world of consumer goods sales, more sustainable approaches are available.

In the following chapters we will introduce our selling truths. Later we will work through plays which we can implement to build on them, and sell with success. Adopting these advanced approaches over more basic ones will not only improve your chances of getting a deal, but they will ensure you focus your sales pitch on *consumer - customer*, *and need - solution* based proposals. When we sell to buyers these are the proposals which turn hypothetical sales in a customer's meeting room, into real dollar sales at the cash register.

Passed on from manager to understudy, or taught on external courses, the most advanced selling techniques are every bit as accessible to the entrepreneurial start-up, as they are to the new sales manager at a large corporate.

In fact, when a challenger brand is up against formidable competitors, the well applied techniques of a nimble salesperson become the very thing which arms a smaller business with the sling they need to battle giants. In turn, giants need to play the game just as well on the frontline, in every category and every retail store, if they are to hold their ground from emerging competition and continue to grow.

Some Home Truths

In a strong, brand led business you might work alongside creative marketers and dynamic leaders. If surrounded by a wealth of history, creative genius and great products, it's not uncommon to come across the assertion that the salesperson is the blunt end of the business; someone who implements the thinking of others.

A great piece of marketing or an inspirational advertising campaign will be on show for all to see. Shoppers and competitors alike will appreciate its brilliance. Little is ever made publicly of the people who turn the demand created from marketing activity into billable, dollar revenues. It is time to call-out our first truth:

- **TRUTH 1: AS SOMEONE WHO SELLS, YOU CAN BE THE MOST VALUABLE PERSON IN YOUR ORGANIZATION.**

If the core function of a marketing department is to create opportunity by showing people why they should want a product, then it's the job of the salesperson to turn the opportunity into currency in the bank. Its those dollars in the bank which will pay salaries and cover marketing budgets.

We don't have a sale without something to offer and we don't have a business without the sale. If starting your own business you'll likely be doing the whole job.

Sales can be one of the toughest professions around. Seldom in other roles do people have to risk rejection as frequently as a salesperson in their quest to exchange merchandise for people's hard earned money.

Many people try their hand at sales. Far fewer become excellent at selling. The antics of those pushing products from door-to-door in the 1980s, and indiscriminate modern-day outbound call centers have tainted the public image of the salesperson. In reality, in business salesmen and women make the world go round. Far from being a source of negativity, some people sell with such effectiveness that they make the life of a buyer much easier and purchasing more enjoyable.

The responsibilities of a salesperson in the consumer goods industry also tend go way beyond the simple remit of feeding cash into the top of a profit and loss account. If you look after key customers you will likely control investment too. To maximize revenues it's common to invest in retail customers across a number of different growth levers. These growth drivers include consumer promotions, in-store marketing and even buying into customer data capabilities. This sales process is more involved than the old school door to door selling. This means that sales managers not only determine the scale of a business' revenue on the top line, but they usually *manage* its long term profitability too.

With so much at stake it's worth pausing to consider our first truth. No matter how desirable a business' products are, or inspirational the ideas behind it's brand, the sustainability of a corporation, it's ability to pay salaries and cover costs, is not governed not by CEOs alone, nor by business strategists. The capacity for a business to deliver on its potential is governed by the ability of its sales team to make sh*t happen!

The Race For Space

The frontline in any battle for consumer shopping spend is the retail store and its online equivalent. Competition for in-store shelf space is brutally fierce. If the average account manager received a thousand dollars for every time a buyer told them their "shelves aren't elastic," champagne would always be on ice, ready to pop!

The more space we want in-store, the nearer to eye level, and the closer we want to be to the most walked floor tiles, the harder it is to come by.

Perhaps surprisingly, space constraints are not limited to bricks and mortar stores. Despite online buyers not being able to drop their favored 'non-elastic shelves' line, in the world of digital retail, the challenges are similar; there are limited selling spaces on top ranked product pages, and the breadth of online ranges is restricted by physical warehousing constraints and inventory cost limitations.

For every space objective you have, be it virtual or tangible, 99.99% of the time you *will* have competitors vying for the exact same spot. If you're a smaller player, there is every chance that a larger manufacturer will have more resources at their disposal to secure it. Thankfully, if sold well, a buyer may see the bigger picture and appreciate that there is more at stake than simple financial incentives on offer.

If securing space in store doesn't sound difficult enough, consider that in retail we almost exclusively pitch to trained buyers. Before they've ever spoken to you, your buyer will have their own view on what the correct product range is for the shelf space they have, and on how they should promote it. They know who their shoppers are, what those shoppers like to buy and the price which they will be willing to pay for it. This makes our task at hand tougher still.

Make no mistake, the complexities involved in securing enough desirable shelf space to sell broad product ranges, make hiring poor sales people a false economy.

For a moment, let's imagine a scenario whereby a seller makes a poor sale. Their rationale for listing an item isn't watertight. If the buyer is still finds some merit in what they see, then they would likely want to secure a large, mitigating investment to accompany any listing. This monetary contribution would be used by the buyer to de-risk their plan and offset the financial impact of any potentially poor retail performance in their stores. Businesses that save money by employing poor sales people, or cut back on sales training, inadvertently find themselves paying more to their customers to play in the space they want.

All things considered, the abilities of the modern salesperson are pivotal to the capability of an organization to deliver on it's strategic objectives.

Strong businesses recognize the value of top sales talent in the remuneration they offer to secure the best people. Interestingly, despite how much we hold brand power in high regard, it's not the dazzling marketers who take home the highest pay packets, it's sales people who can *really* sell.

According to salary.com, at the time of publication the median annual salary for a sales director, or equivalent position, in the U.S. was $156k. Why is this of interest? Well, for a start this is 17% higher than the pay given to marketing counterparts. Add performance related bonuses into the equation and at $206k, the gap in reward potential grows to 37%.[2] The key takeaway from those statistics? If you want to maximize your earnings in business when you finish your academic education, become a great salesperson.

Sell Smart Vs. Hard Sell

High earnings potential coupled with the fact that you don’t need a college degree to sell, means there are a lot of people out there cutting their teeth as new salespeople. This presents a challenge.

Starting out isn't easy. To get ahead we need to first deliver on our business objectives and then go above and beyond expectations to stand out from the crowd. Notwithstanding your desire to succeed, work-life balance is fundamental to your health and happiness. If you want to be a part of your social group, find time to hit the gym and spend time with your loved ones, then you probably don't need to spend another couple of hours each day in the office deliberating how to make your customer take your product. So, how do you do it all?

Take heart. It *is* possible to achieve your ambitions and still have a life. If you’re already someone who knows how to work hard, then the key is to stop selling harder, and start selling smarter.

By honing your sales skills using the approaches outlined in this book you will be able to take confidence in your abilities. You will be playing the game in a way that many of your peers are simply not doing effectively. By increasing your selling smarts you will build better relationships with your customers, move larger volumes of product, for higher prices and make yourself even more invaluable to your organization.

If you aren’t looking after key accounts and want to be, a smart selling approach will get you off the tertiary customers and onto those who make the biggest impact on your business.

Consequentially by selling smartly, you will be more capable of delivering on larger, more stretching objectives, will get promoted quicker and earn more for your efforts.

By choosing to pick-up this book and investing a few hours of your time to learn the selling smarts uncovered within, you are already taking a seat at the front of the class. While others will give-in to the temptation and push their product’s unique selling points, or USPs, without knowing why they might be particularly relevant to their target, you will be able to step out from the crowd, and take your place among the top few.

Most excitingly, for those few people who sell smartly, securing a product listing, increasing distribution or landing a commercial plan for the year ahead doesn’t always feel like such hard work after all. These people get paid well to trade effectively and still find time to enjoy life. It makes sense to join them in their approach to selling.

Two

Selling 101

Theory - how do people sell?

> *“Everyone lives by selling something” Robert Louis Stevenson, Scottish Poet*

> *“He who loves practice without theory is like the sailor who boards ship without a rudder and compass and never knows where he may cast.” Leonardo da Vinci, Renaissance Polymath, Universal Genius*

BEFORE VENTURING INTO SPECIFIC, tailored, selling strategies for the consumer goods world, it is helpful to first touch on some basics. The principles covered in this introductory chapter may be familiar to you, some of the them may even seem like common sense. They are, none the less incredibly valuable so let’s briefly touch on the selling essentials. These basic pointers will ensure we have the foundations we need in place to excel, before we go on to look at tailored selling strategies suited to consumer products.

Whether selling bags of potatoes to market stall holders 200 years ago, or bags of potato chips to retail buyers today, some elements of making a sale remain consistent and unchanged.

The coming together of two people to trade an item for money brings about an incredibly complex set of emotionally charged interactions. To reach a deal, a buyer and seller will journey through a process which will see them combine gut instinct and raw brain power. As sales people, we need to be conscious of the key factors at play in this scenario, and ensure we have our bases covered.

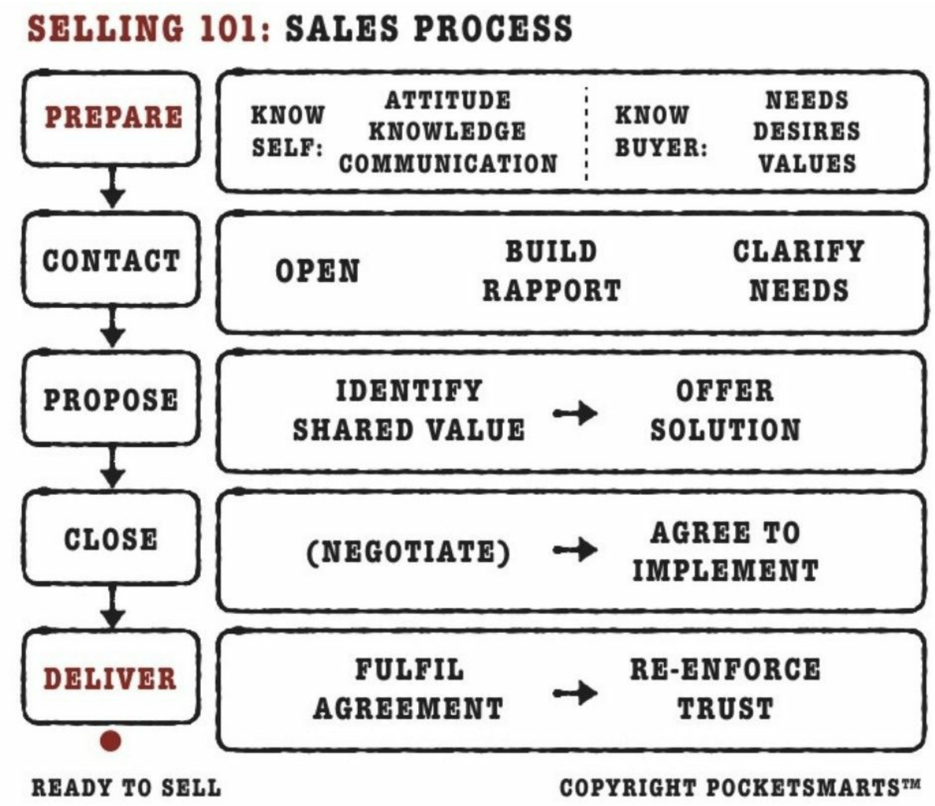
Pipelines And Process

When we sell, we exchange ‘something’ which we have and another person needs, in return for ‘something’ they have, which we want in return. Usually, in the consumer goods world the respective somethings are ‘product’ and ‘money’. At the point of purchase, the two worlds of the buyer and seller collide.

In the case of someone buying potato chips in a store, the buyer needs potato chips. The store owner offers chips for a price displayed on shelf. In this simple transaction, if the type of chip suits the buyer and the relationship between price and quantity is equitable, the sale is completed, simple.

In a professional buying situation the same basics apply only there are many variables, and the need is not always so clear. One buyer might know what they need, but be short on ideas for how to get it. Another may hold a wealth of ideas on how to get what they want, but struggle to decide on where to focus their efforts.

The added complexity in the realms of professional buying and selling means that the remit of a salesperson expands considerably beyond exchanging money for products. Instead, the role of the consumer goods seller is to aid their buyer to a clearer level of understanding about what they need, and how to get it. We do this by guiding our buyers through an age old process. From opportunity to money in the bank, we need to pass through five clear stages. In this process we Prepare, Contact, Propose, Close and Deliver.



Whether completed with a fleeting moment's consideration, or deliberated and discussed at length, fulfilling each of the stages successfully is imperative if we are to maximize the potential of a sale and secure repeat orders. In the simple case of the potato chip buyer, the store prepares by understanding that it's shoppers like to devour potato chips. They make their store inviting, maybe a retail clerk even greets the customer on the way in. They show a range of products and display prices on shelf. The shopper browsers the product range before adding the chips to their basket. Finally they pay, eat their chips and if they were up to the shopper's expectation, they'll be back. In this well oiled scenario the person buying chips glides through the each stage of the sales process with little thought or effort.

In our professional buying - selling situation, we must follow the same process while leveraging our selling skills to increase the likelihood of us passing successfully through the Contact, Propose and Close stages required to reach a deal. As alluded to, this requires that we go further than simply describing our product USPs to our customer in the hope that they sound appealing. In light of all the information which may be available to us and our buyer, a better move is to guide them through the process, minimizing complexity and maximizing clarity wherever possible. With our support, our buyers must arrive at the clear decision that, ‘*yes*’, purchasing our stock will empower them to land the objectives they are setting out to achieve.

‘P’ Is For Prepare

If a successful sale is the completion of five successive steps, then ensuring we end our journey at the desired location requires that our first step is well placed. In the complex world of professional buying and selling, if there is one thing which differentiates an exceptional sell from a bad one, it is the quality of the preparation that precedes it. This brings us to our second selling truth:

- **TRUTH 2: THE SCALE OF YOUR SALE WILL BE DEFINED BY THE QUALITY OF YOUR PREPARATION**

The most important contribution to any sale is not the handshake that confirms a done deal, but the preparation required to make it happen. If it has been said a thousand times it hasn’t been said enough; in the world of business, sales and negotiation, failing to prepare is preparing to fail. Those who prepare well are infinitely more likely to succeed than those who simply don’t bother.

Understandably, preparation is often done poorly, if at all. When you begin in sales it’s hard to know where to start. If you prepare the wrong things you’re wasting your time. Even if you do know how to prepare, there is a strong temptation to do it on the fly. Why? Effective preparation requires you to set aside dedicated time and space of mind; both scarcities in modern life.

The temptation to cut corners and sell on-the-go is a poisoned apple that catches out the experienced hand as often as the newbie. A more experienced sales head will rightly grow in confidence. Sometimes they might come to feel as though they have done it all before; they know their customers and are at danger of becoming overly reliant on their relationships.

But why is preparation such a fundamental building block to selling well?

At face value, the answer is simple. As we have touched upon, when two people sit down to do business together, both individuals bring their own agendas to the table. Sometimes these two separate worlds orbit around each other in harmony. On other occasions they collide. Each person in the relationship has needs which exist to be fulfilled. They also have emotional desires and a set of values which will guide them in how they go about fulfilling these needs. Inevitably they will carry their own sets of distractions too. All of these factors will occupy the conscious and sub-conscious minds of both the buyer, and you the seller. Discovering what's on the mind of the other person is a precursor to communicating effectively, finding common ground and creating shared value.

As a salesperson, our demands are clear; we need to feed our businesses with money and hit targets. The task at hand when we prepare then, is to bring the required *attitude, knowledge* and *communication skills* to the encounter so that we can understand and meet needs of our buyer. Demonstrating this combination of substance and soft skills is key. It will make ourselves the kind of person other people want to do business with, and it will smooth the way to a sale.

Good preparation is essential if we are to influence people. It is also vital in ensuring that we spend our time wisely, by influencing the appropriate people in the first place.

You may have heard of the Pareto Principle or '80:20 rule', conceived by 19th Century Economist, Engineer and Philosopher Vildredo Pareto. Pareto first found the phenomena, which would later carry his name, in his native Italy, where he observed that 20% of the population owned 80% of the property, and similarly, 80% of the peas grown in his garden were be produced by roughly 20% of the pods.[3] Based on these early observations, Paretos 'law of the vital few', simply states that 80% of our desired outcome is often generated by 20% of our actions. Pareto has since been shown to be broadly correct across many fields, spanning everything from biological processes, to engineering and manufacturing. In a customer portfolio, while the numbers may vary somewhat, it wouldn't be uncommon for 80% of a business' revenue to come from its 20% of its customers, or 80% of its profits to come from 20% of its products.

A part of our preparation should be dedicated to understanding who the right consumers are for our products, and what the right customers are for our consumers. Similarly, if starting from scratch with product development, the single most important activity we can undertake is to define the right combination of product requirements and commercial solutions to meet the needs of the end users we want to target. We also need to know where they will want to shop for it and ensure our proposal works for those customers. In this ideal scenario, this early preparation will ensure we invest our subsequent sales efforts on the most valuable opportunities, products and customers; the 20% of targets which will deliver the 80% of the return.

Accordingly, if we already have the right combination of product and customer to create a fantastic opportunity, we serve ourselves well to make sure we succeed at turning that particular opportunity into commercial reality. If we fail to express a great opportunity to our prospect effectively then we may find that we waste weeks, months or even years trying to entice our most valuable customer with an appropriate offer.

In the use of our time lies the crux of the issue. As people who have a finite number of days on earth we naturally strive for a healthy work-life balance. We should protect our personal time at all costs! Inefficiency and unnecessarily long working hours are the enemy to be eliminated from our working lives.

Counter intuitively, the secret to finding more time in our day, while still getting what we need done, is to *make* the time we need to prepare well for the challenges that lie ahead. Saving time on preparation to maximize the time we have elsewhere is, much like hiring poor sales people, a false economy.

When we set out to sell, any sacrifices we make up-front to better prepare us, so that we target the appropriate customers with the necessary knowledge and skills to succeed, are not really sacrifices at all, but sound investments. Your efforts to prepare well will be repaid many times over in financial reward and personal freedom. The latter will become evident when you find yourself hitting targets by *not* talking to every possible customer who will listen, about every item you have to offer, but by building great plans which capitalize on the opportunities that count most.

Simply, if there is one thing we need to do when we sell it is prepare. In this chapter, we will continue to touch on the basic ways in which we can prepare to trade. Depending on where you are in your own personal development journey, some of the considerations which follow may strike you as obvious. To repeat, they are none the less vital. In quick fire fashion we'll prepare ourselves for the interpersonal demands of selling. Later, we will see how you can take your preparation to the next level and really get *Ready to Sell* by preparing to wow.

Notwithstanding, if you feel you've got the basic principles totally covered, you may prefer to familiarize yourself with the subheadings which follow, before jumping ahead to the next chapter, *The Winning Way*.

People, Buy From People

A phrase that a colleague once coined while exasperating at the nuts-and-bolts approach of a fellow teammate rings true, "people, buy from people." Even in the world of online sales, 8 in 10 people have been shown to research their purchases online, seeking feedback from the digital community via blogs and review sites prior to making big purchases.[4] Social media has also been shown to influence as many as 47% of millennials in their purchasing decisions, with others seemingly having a good old fashioned chat with friends or colleagues about the same acquisitions.[5] In short, we like to be social when it comes to buying.

In his popular book, *The Art of Influencing Anyone*, financial products salesman, author and student of psychology Nial Cassidy goes so far as to state that *personality* can be more important than *content* when it comes to selling.

Whether Cassidy's assertion is true may depend on the context. It is certainly true that entire businesses have been built on their customer service. Jack Mitchell, CEO of the family owned premium store group by the same name, famously built their award winning business on a '*hugs*' culture, three men's suits, a coffee pot and a dream.

Central to many a book on selling is a single guiding principle - when we step out into the world at the start of each day, we ourselves, are without doubt our single biggest asset.

Selling effectively, therefore, starts at home. If preparation is the first step to making a sale, then making sure we are always showcasing the very best version of ourselves is the beginning of our preparation. As sales people, we must be willing to invest time, effort and, if necessary, our own money in ourselves to ensure that our own health and happiness backs-up the quality of our proposals.

If the idea of investing in yourself to boost your sales feels nice, then consider casting an eye to Swedish real estate broker and reality TV star Frederik Eklund. In his book *The Sell,* Eklund takes the more inward looking approach to the next level, promoting a selling mantra which is very much focused on selling whatever it is you have to offer, by first showcasing your personal qualities.

Eklund has a strong case. Whether we're selling a 20 million dollar penthouse to celebrities in Soho, New York City, USA, or mouthwash to a grocery chain buyer in Leeds, U.K., one thing remains constant; there's everyone else in the world, and then there's you. If you want to convince other people to buy from you, then you had better make sure you are worth buying from.

To maximize our own potential we must first be clear on who we are and what drives us. We must always be ready to make a great first impression, and we must genuinely care about the happiness of other people.

Looking within, to do this we need to first be clear on our own motivations, to maintain a positive attitude, and take a mindful approach to our own health, before we try to assert ourselves on others. In a more extraverted sense, we need to be someone who makes people feel wonderful, who builds friendships, and who understands what makes the person we want to do business with tick.

Your Motivations

People fear the unknown. As sales people, we need to find the courage to step into it, make connections, build new relationships and find innovative ways of meeting stretch targets everyday.

Despite our best intentions, fear, habit and necessity make ungainly advances in determining what we end-up applying ourselves to in our waking hours. One way to take back control in our day is to rise each morning with a clear understanding of ourselves and the things which drive us. Why is this important? Essentially, it isn't sales targets, or business objectives, but our motivation to succeed which we will come to rely on most when the going gets tough.

If at all unclear on our true, underlying motivation for work, it can be useful to ask ourselves the most simple of questions.

“What’s getting me out of bed this morning?”

Is it a a hungry desire to make the most of the day ahead, a famished stomach or a persistent alarm clock? Goals may come to mind. Are you saving for your first home, planning a diving trip in the Andaman sea, or looking for the best school for your kids? While not quite the same as motivations, these thoughts are useful, they’re tangible goals and they are important to us. Visualizing our goals helps us to make the effort needed to become great at our work.

Greater value still comes from digging deeper, and reflecting upon our goals in search of the real, underlying emotional desires that fuel us. Why do we want our goals? What is it about them that excites us? What fulfills us? Is it a quest for status and recognition, the pursuit of happiness or the desire to be a worthy parent? Clearly, there are no right or wrong answers to these questions, but we must listen to our own answers. Our true appetite for working through challenges, knocking down doors or hurdling obstacles lies within our will to achieve our deepest desires.

Why is this relevant to a book on selling consumer goods? By clarifying our motivations and specifying why it is that we are doing what we are doing, we give ourselves a step which we can stand upon to see outward, over our troubles, so that we can keep our eye on the endgame during challenging moments. Our motivations are unique to us, they are priceless, treasure them.

Top Tip! Find Focus With Personal Mission Statements

A useful way to keep our motivations at the front of mind is to build our own mission statement or set of positive affirmations. This mission statement should be short, sweet and personal to you. A favorable habit to get into is to repeat your mission statement or personal positive affirmations to yourself each morning. These thoughts can then become our own personal compass which frames the mind and helps to guide us through our day.

When writing a mission statement or set of positive affirmations, avoid the overly complicated, or excessively corporate. Favor something more catchy, that resonates with you.

An example of an effective, sales based personal mission statement could be “*I woke up today to live life as an adventure, accomplish things I can be proud of, and shift enough stock to pay for the life I want to lead*.” A set of positive affirmations might be "*I am a great sales person. I love people. I am creative. I find creative ways to make my customers happy*."

This may feel cheesy, if so, fair enough. The choice of words is yours, and they should be impactful to you. It doesn't much matter what anyone else thinks of them. The aim is to top-up your own motivation levels at the start of each day by tapping into *why* you do what you do, and why you want to do it well.

The next time you catch yourself using your precious time for habitual tasks that might be detracting from more important ones, ask yourself "is this helping me get what I set out to achieve?" if not, "would switching my attention to another task enable me to use my time more effectively?"

Caveat - some tasks which might not feel critical to your career just need to be done. Detailed supply planning and revenue forecasting usually inspire a weekly, or monthly face palm from salespeople. Allocate time and get it done with the least fuss possible to ensure a reliable job, then get back to doing things which take you towards your objective!

Top Tip! Deliver On Your Mission By Setting Personal Goals

Once we are clear on our mission, we can set ourself effective personal goals. If aligned, our goals offer us tangible stepping stones which we can follow to deliver on our purpose. In addition, setting ourselves short term goals can be a powerful antidote to the emotional lows of a rough day which might lead us astray from getting what we need to done.

If you find yourself low on motivation, try drawing up a list of things that you are working towards, professional or personal. Alongside that list of goals, jot down one bitesize action that you can take now to help you achieve each of them. Specify a reward that you will give yourself for the completion of those tasks. Ensure each reward is both relevant and fulfilling, then set about tackling each bitesize action one at a time. Be sure to make it clear how you will reward yourself in return for getting each job done.

Building on the age old theme of "*eat your vegetables and then you can have your ice cream,*" your sacrifice vs. reward pacts could be as simple as "*I finish this sales forecast before 6pm and I leave work on time for my gym class*." A more involved example might be, "*I land the deal I am working on,* *I invite my best friend to dinner, and buy us both a round of tequilas to celebrate*,” or simply “*I’ll do this tough part of my job well because it earns me the paycheck which will buy me the apparent I want*.”

Return to and refresh the list daily or as often as needed to hold yourself accountable against your targets and identify new ways to progress towards them. Granted, this stuff is *very* basic but when we’re talking about getting ourselves to jump hurdles, it works.

Stay healthy, dress well and Smile

First impressions count. Alexander Todorov, Professor of Psychology at Princeton has found that people make snap judgements about a person’s likability, trustworthiness and even competence within less than one tenth of a second of seeing your face. Studies at the Harvard Medical School have shown similar results. That doesn't leave time for verbal introductions. The key takeout? Looks matter whether we like it or not. This doesn't mean we should give ourselves a hard time if we don't look like America’s next top model. It does mean we should be aware of the things we can do to control the impression we give.

Todorov puts morphology, or our physical structures and gestations at the heart of people’s snap judgments. It may not surprise you to hear that smiling is the single biggest signal we can give to strangers that we are friend, rather than foe. Want to make more friends? Smile more.

A healthy lifestyle is important too. When we bring ourselves to work in a healthy condition it get’s noticed. As politically incorrect, or harsh as it may sound, if we trade nutritional sports supplements and look like we have never done a day’s exercise in our lives, then we will have an image problem. In our hectic lives it is tempting to cut back on exercise, eat poorly and sleep little. What we really need to do is the exact opposite. In sales, take your own health seriously, even if it’s for work’s sake.

You’ve probably got this covered, but the clothes we choose to hang from your body say a lot about who we are too. Suits stained with dried up breakfast shouts ‘bad hygiene’, a hint of stale body odor will do the same. If your shirt or blouse is falling apart it could be inferred that your product isn't as fantastic as you make it out to be. If your product is selling like hot cakes you will be able to afford replacements for worn out clothes. If you have signed-up to Eklund’s school of thought you might consider setting aside 10% of every sales bonus, or commission, for personal grooming purposes. While perhaps extreme, doing so might certainly feel nice.

Whether you’re spending $200 or $2000 on a new suit, dashing set of work shirts, or new shoes, if you are replacing a tired, worn out alternative at home, consider your expense an investment in yourself rather than frivolous spend. However you chose to dress, do it with intent and ensure that your first impression isn’t dictated by casual habits.

Watch Out! Fashion Police

Dressing appropriately may sound simple it is often overlooked.

Buyers are busy people. Sometimes they need to make an effective point fast. You do not want to be the salesperson who returns from a six hour trip to pitch a new line to their customer only to be turned away for not wearing a tie for the tie-wearing buyer. It has happened!

The point isn't to religiously wear a tie, but to give thought to what you and the brand you are selling stand for. Does what you’re wearing reflect your brand values? Does your attire suggest you deserve respect? Is it business or relaxed? Whatever you wear, be authentic and consider how your customer might feel when you arrive to your meeting in your chosen clothing.

If you like to dress down and that fits in with your brand persona, great! Just be ready to spruce-up a gear if you walk into the head office of a new prospect and you get the impression that you might have made the wrong choice.

Keep A Positive Attitude

If you work in sales and never hear “*no*”, then you may well have superhuman abilities. More likely, you are not listening hard enough.

Rejection happens in sales, sometimes “*no*” is simply a concern or objection to be handled rather than an outright rejection of what you have to offer. Handling objections effectively, as we will see in the chapter, *Get The Deal*, will enable you to secure larger, more durable business partnerships. This requires a positive attitude and an unclouded, open mind.

Attitudes have a knack of being contagious. It is essential for your own sanity that you pull out all of the stops to stay positive. Avoid the temptation to take set-backs to heart and don't fall into the trap of taking yourself too seriously. When things take a tough turn, smile on the situation, look for the lessons that can be learned and take the best step forward to improve your outcome.

Look for opportunities to praise others and avoid negative gossip at all costs. Take hits on the chin, remember why you get out of bed in the morning and keep perspective. Finally, you earn your successes in sales, so remember to reward yourself when you do well too.

Make People Feel Good

There's no-one else in the world quite like you. Make the most of your positive attributes and make other people happy to leave a lasting impression.

While passing a stranger in the street have you ever found yourself waking from your own daydream to catch their glance? Perhaps you offer a smile in recognition of that quick glimpse into the soul of another human being?

If so, the chances are you received a smile back. 19th Century congressman Frank. A. Clark captured the essence of what's going on when he said "most smiles are started by another smile."

Happiness breeds happiness, as success breeds confidence and more success. Ultimately, whatever our goals, the true reward for leading a purposeful life is likely to be the experience of love, contentment and joy.

We can experience those feelings everyday by making a conscious effort to make those around us feel the same. Make your attempts genuine and do it without expecting returns. In doing so, it will be heartfelt. Unselfish acts also have a knack of making you feel great, so despite any altruistic intentions, you will inevitably get our own positive kick in the process.

Humor goes a long way too, especially in what can at times be dry, corporate buying environments. People love to laugh, it's addictive and is also great for us on a biological level too. Laughing causes the nervous system to release endorphins, which are used by the body to relieve physical pain. Much like exercise, laughter is also thought to boost the immune system through stress reduction, so all in all, laughing is an excellent deal for all involved.[6]

If you are the one individual who makes a buyer happy in their day, then you will be the one salesperson who they look forward to seeing again. In building enjoyable relationships with your customers and teammates alike, you will discover the emergence of a close rapport which you may rely on in the future.

If you don't feel overtly humorous take an interest in your buyer and be prepared to engage in some gentle conversation to show that your customer is doing business with an amiable person, rather than a sales objective personified. Whatever the topic, remain sensitive and stay appropriate.

Build Friendships

There is an old adage which is hard to ignore when we consider the way we would like our buyer seller relationships to pan out.

> *"All things being equal, people want to do business with friends, all things not being equal, they still like to buy from their friends"*

In a business context, how do we become friends with our buyers? In a nutshell, we need t0 show two qualities which we no doubt look for in our own friends; trustworthiness and amiability.

Trust is core to all purchasing decisions, without it we can't be sure that we're getting what we think we're getting as buyers. Trusting someone we buy from removes the concern that we might be about to get ripped-off. Earning deep trust can take time coupled with reliable post sales service. Simple things like looking your buyer in the eye, listening to what they have to say, and demonstrating that you know your market will go along way to helping you cover the early ground.

Ultimately, being likable will depend to a certain extent on you demonstrating the qualities your buyer likes in a friend. It's safe to assume that being personable, attentive and authentic are important attributes. Your efforts to make other people feel great will count here too.

Jack Shafer, psychologist, likability coach and author of the book *The Switch*, spent 20 years as a special agent for the FBI. His role required that he regularly coax his suspects into spilling the beans and divulging information critical to solving cases. According to Shafer "the golden rule of friendship is if you make people feel good about themselves, they're going to like you."

How else can you make people like you beyond just being nice? The good news is there are a several of psychological hacks which can help us here. In addition to smiling, and complimenting people to make them feel good, research published by the Society of Personality and Social Psychology, and also the Harvard Business School, has also shown that our likability is improved by our readiness to share personal information.[7] The more more readily we share information about ourselves, the more likable we become, and the more likely we are to receive information back in return.

Make an effort to get to know the individual doing the job on the other side of the table and be transparent in letting them get to know you. If appropriate, invite them for coffee, or lunch, and talk about something non-work related. In due course, if you are both open to the possibility, you will begin to share trust and find grounds for friendship, one which will come to serve you both when doing future business together.

Watch Out! Protect Your Relationships

Playing the balance of being likable, while achieving your sales objectives can feel awkward. Many a salesperson has fallen foul of being a best friend to a buyer while doing hopeless deals that fail to deliver on business objectives. Others don't secure repeat deals because the process of closing the first one was a hideous interpersonal experience for the buyer.

The key is to keep your objectives at the front of mind while also separating them from the emotional relationship you share with your customer.

If you have some tough issues to talk through with an existing client, be up front, list your challenges and share them in advance of your meeting. Call them out as something which needs to be dealt with, but don't get personal.

Take the position of the buyer's ally, someone who will do all they can to get them what they need to grow their sales, so long as those things make business sense for your both.

By being overt in this way we can separate the challenges from the people. Your positioning will be the shield which protects your relationship from the regular bumps in the road while still delivering on your business objectives.

Understand Your Buyer's Needs

One of the most valuable tasks you can undertake when preparing for a meeting with your buyer is to do anything you can to enter your their mind and identify their needs.

As we touched upon earlier, needs are fundamental to any buying situation. The potato chips shopper needs chips to complete their planned meal, so they buy chips. But what do our customers really need?

Nearly all retail businesses will share three key goals which drive them:

1. The need **to grow their category sales**
   - Why? To deliver a sustainable business and increase the financial reward for company shareholders.
2. The need to grow **faster than the competition**
   - Why? To gain market share. With market share comes power and with power comes increased control over a business' ability to secure their longterm sustainability and reward shareholders.
3. The need to **improve profit margin**
   - Why? You guessed it - for sustainability and larger rewards for shareholders.

When we take a proposal to a buyer, we need to ensure that they are totally clear on how our proposal will support them to achieve these three things. Simply, your customer will want to know how you can grow their sales, how you will differentiate the plan you offer them vs. their competitors, and how your plan will drive *their* profit growth.

In the world of retail, the first of those needs will come to the buyer if they can improve one of a number of metrics or '*sources of growth*' at the cash register. For reference, these growth levers are outlined below, along with the associated industry terminology used to describe them.

In order to grow their category sales, our buyer will need to do one of more of the following:

- **Sell more product** to existing shoppers. Which is achieved by:
  - Selling **more packs per trip** made to the store by each shopper, also known as increased '*average weight of purchase*', or,
  - Selling to shoppers **more frequently**.

- **Increase the average price per pack** bought by existing consumers. Which can be achieved by:
  - **Switching shoppers into higher value products** instead of lower value ones in the range. This is known as '*trade-up*'. Trade-up can in turn can be achieved if:
    - Shoppers buy **larger pack sizes** at higher prices in place of smaller, lower value versions of the same item, or,
    - Shoppers buy **higher value competing products** in the range instead of competing, lower value ones, also known as '*product switching,' or,*
  - **Reduce sales at discounted prices**, in favor of selling full price items. This is also known as reducing '*promotional participation*', or '*percentage volume sold on deal*'.
- **Selling their category to new shoppers**. New shoppers can display certain characteristics, each of which carries its own industry terminology.
  - If the new shoppers previously purchased the category elsewhere but didn't buy the category within our retailer, this movement of spend is known as '*retailer switching'.*
  - If the new shoppers previously purchased other categories in our customer's stores, and now *also* purchase our category when they shop in the same retailer, our customer will be increasing its '*cross category conversion*' from one category to another. This is an important metric as it shows that a customer is making higher revenues from people visiting their stores.
  - If the new shoppers didn't previously buy any products in our customer's stores, then they are '*new retailer shoppers*'. As above, these new shoppers have the potential to be converted into other categories within the customer's store, making them a strategically important source of growth to our retailer.
  - If the shoppers are entirely new to the category, this is known as **increased category '*penetration*'**.

Whether your buyer is selling more product to existing shoppers, or achieving higher prices on current product, each of the category growth levers will have a role to play in helping our buyer to deliver their overall objective of sales growth. If they can pull on these levers more strongly than the competition then our buyer is also on to a winner on the second objective.

The challenge for sellers and buyers alike is to find ways of growing one metric, without negatively impacting another. An example of this risk in action would be putting a stronger promotional plan in place to bring new shoppers into your category, by growing cross category conversion, only to see your average price per pack fall as you auto-reward existing category shoppers with lower prices. Additional industry related terms are listed at the end of this book to help you navigate the most common selling discussions.

The final item in the equation, profit growth, will be delivered by your buyer if they can achieve one or more of the following:

- **Higher value sales -** to it's shoppers (as above)
- **Lower product cost prices, and higher retail margins** - from you, the supplier
- **Increased financial investment** - from you, the supplier

For this reason, as a salesperson, a convincing plan to grow our retailer's category sales rather than just our own brand sales, is just as useful to us, as it is to our buyers. Without it, we're left playing a suckers game of lower cost and higher investment, which means sacrificing our own profitability in order to hit our buyer's targets and secure our sales objectives.

When we look at needs in this light, those of a buyer become very much attached to the needs of it's shoppers. By providing their shoppers with the optimum range of products at affordable prices, retailers are able to place their best foot forward in achieving their goals.

This is where we become useful. Preparing to understand end user needs must be at the heart of our proposals if we want to move *lots* of volume, with minimal investment. In the coming chapters we'll cover a selling strategy for the consumer goods industry which enables you to set yourself apart from the mediocre core of salespeople out there by focusing on the *shopper*.

The Psychological Seesaw

In any sales transaction a person selling will ask another individual to commit to something. This entails a sacrifice of freedom on the buyer's part. For the potato chip shopper, the sacrifice made is accepting the cost of the chips; money from their pocket which they'll never see again.

We don't to like to make sacrifices, and in the world of retail the stakes are raised when a buyer commits to making an order for your products. A retail buyer will be burdened with a number of commitments when they place an order for stock. These include:

- investing their company's *working capital* or cash, to purchase stock which might not move from shelf.
- shouldering the negative *cashflow impact* if that stock sells, but sells more slowly than other product they might have bought instead.
- the possible *opportunity cost* generated by not to giving their prized shelf space to another, possibly higher performing brand.

Any purchase from a retail buyer is, therefore, a considered bet. If they do a good job, they will buy a range that sells well, and they will deliver on their three key objectives. In this scenario, the customer is onto a winner; a bonus, a possible promotion and with it the vacation, wedding or a step up the property ladder that they crave.

If the buyer does poorly and misses out on one of these key objectives, then they will be under immense pressure to rectify the issue. Ultimately their job security and associated status will be on the line.

Irrespective of whether your customer is an employee or business owner, this makes buying products for resale an emotionally charged process. Our role as a salesperson is to give our buyer confidence that buying our product will yield rewards which outweigh the risks.

How can use the psychology at play to our advantage?

Godfather of sales strategy, Brian Tracy hits upon this challenge in his book aptly titled, *The Psychology of Selling*. Tracy's theory on selling psychology likens these contrasting forces to those that tilt a seesaw.

In any selling situation the individual considering the purchase of an item has a decision to make. That decision is the pivot in our seesaw.

On the left hand side of the seesaw we have negative thoughts, focussing on risks including the loss of freedom or financial security. These are factors which may compel an individual to walk away from a purchase and result in the loss of a sale.

On the other side of the seesaw we have a buyer’s desire to succeed, and crucially the anticipation of what buying your proposition might do for them in light of their objectives.

Understanding these dynamics, what can we do to secure a sale? Essentially, we need to do everything in our power to lighten the burdens of risk, while playing to the positive appeal of our proposals.

Pushing the USPs of a product are often the tactic used by new consumer goods sellers when they go for a sale. A much more powerful approach is to focus on what buying our merchandise will achieve for our customers; highlighting what they stand to win. Playing to the desire to achieve is what will tip the scales, rather than a list of an product qualities.

Another way to minimize the risk of a buyer walking away is to offer insurance against the worst case scenario of your stock not selling. This effectively counteracts the weight of risk which might otherwise lead to a lost sale. There are three options available to us in this situation. We can either:

1. **Give practical guarantees** to reduce the risk - this involves isolating the source of the perceived of risk on the buyer’s part, and then putting practical fail-safes in place to reduce the uncertainty.
2. **Build trust** to reduce the *perception* of the risk - if our demeanor suggests that we are not trustworthy, then the pivot is automatically *shifted* to the righthand side and perceived risk of doing business with us become greater. If we are not trusted we need to work a lot harder to overcome the

position of our pivot, and tip the seesaw towards a sale. This can be a dangerous cycle. Hard selling tactics and the image of an untrustworthy sales person go hand in hand. If you were being sold to in an aggressive manner, then you would likely question whether the item you're buying is really anything to get excited about. The thinking goes, you simply wouldn't need to be bullied into buying something which helps you to realize your needs and desires. Conversely, this is why people like to do business with friends; it makes a sale feel softer and safer. We trust our friend to give us useful recommendations. When we build friendships we gain trust and we shift the pivot of our seesaw towards the left hand side. In this way, trust tips the balance of forces in our favor.

3. **Do nothing** and hope the perceived risk doesn't materialize as a lost sale.

Let's be honest. The process of building trust to influence a sale could be considered manipulation. If we pretend to be someone's friend, to trick them into buying something which they don't need, then in truth, manipulation is what it is.

In reality, while manipulation might have its uses in a one-off car used sale, we have little to gain from manipulating our retail buyers. When we sell to retailers we're typically looking to build long lasting relationships which will generate sustainable profit for years to come. If we somehow convince a customer to list an item which is a terrible fit for them and their shoppers, we would be exchanging short term gain for long term pain. The poor retail performance that would almost certainly follow in this scenario, combined with your loss of credibility, is likely to result in a swift delist and broken trust. This loss of trust would become a future barrier to doing business together again.

A far better approach is to really understand your customer and their shopper needs so that you can ensure your proposal is fit for purpose. You can then use your grasp of the psychology at play to remove any barriers and secure a deal which is great for both you and your buyer. Fortunately, fit for purpose proposals are something you can build with the correct selling strategy.

Watch Out! Balancing The Burden of Risk

A common buying tactic is to ask for sale or return agreement on the stock a customer would need to order from you before they agree to your proposal for a new product listing.

This is a potentially dangerous one for a supplier. This arrangement effectively shifts full risk from one party to the other, rather than seeking a strategy which diminishes the overall risk to both sides. Balanced risk is healthier; it ensures both you and your buyer have skin in the game after agreeing to a listing. This incentivizes you both to focus your efforts on generating sales at the cash register, through excellent in-store execution of your agreed plan, rather than making it the responsibility of one party after doing a deal.

If a customer is concerned about the risk of ordering too much stock at launch, a more collaborative alternative could be to offer additional consumer promotions to clear surplus stock and drive trial in the event that sales fail to hit a pre-agreed target. In this situation, if sales are lower than expected you will likely want to do all you can to give your performance a boost and drive trial among shoppers. In this event, your guarantee would likely be your preferred plan of action. This is an easy concession and one which may give enough confidence to your buyer to support you with an even bigger launch at the planning stage, so well worth considering.

If you believe in your proposal but your buyer is too worried about the risks to proceed, another option would be to run a short trial listing. Deploying this tactic will allow you product and commercial proposal to demonstrate their potential before you roll-out into a retailer’s full estate. Just make sure you put everything you have behind your marketing efforts in your trial stores to give your product the very best chance of selling well.

Three

The Winning Way

Strategy - the category sell: where art meets science

> *"Knowledge is power. Information is liberating."*
>
> *Kofi Atta Annan, 7th Secretary General of the United Nations*

> *"Cutting prices or putting things on sale is not sustainable business strategy."*
>
> *Howard Schultz, Executive Chairman of Starbucks, former owner of the Seattle SuperSonics*

WE INTRODUCED KEY SELLING PRINCIPLES and identified simple actions we can take to put the best version of ourselves forward in the prior chapter. As fundamental as those steps are, the selling basics are widely acknowledged and heavily practiced. Charisma and a grasp of the contributory factors at play in a buyers psyche are necessary. Alone they will do little to take you above and beyond all the other well healed competitors who do the same in pursuit of the shelf space you want.

Returning to the burning question which needs to be answered, how do we win at selling consumer products? The answer is through a selling strategy which is highly attainable albeit to varying degrees of complexity. Despite it's value it is often neglected.

Maximizing consumer goods sales does not come from simply elaborating on your product USPs, nor from cutting your prices when customers reject your offering. The proven method is an approach which backs-up our communication skills and natural charisma with *new*, *relevant* and *useful knowledge* that makes buying from us a well informed choice. The key to winning, therefore, is to empower ourselves with the business intelligence which makes buying our proposal a no-brainer for our customers. This intelligence, or insight, is actionable knowledge which anyone can gain for their category and product using a legitimate approach.

In this chapter we will look at how information can be leveraged strategically to earn maximum credibility with customers, and effectively structure our sales pitches. In the the following chapter we will cover practical techniques which you can use to develop simple, watertight and compelling arguments which make “yes” the natural response to your selling proposals.

Information And The Balance Of Power

The human brain processes an incredible amount of information in our daily lives. Academics estimate that more than 50,000 thoughts per day run through our minds, and clearly, the information we feed our brains drives the things we think about.[8]

From reading nutritional labelling on our lunch items, to interpreting character traits when looking for a suitable partner in life, information is all powerful. The control of information has been used throughout history and it continues to be used to suppress social classes, blackmail one another, and cover-up political scandal.

On October 28, 2016 former FBI Director James Comey sent a hotly debated letter to congress. That letter announced the discovery of emails pertinent to their investigations regarding the possibility that Hillary Clinton might have broken the law by sending classified information from her personal email server while acting Secretary of State.[9] The uproar that followed wasn’t the concern that the new emails existed, but the fact that their existence had been publicized during the midst of a presidential campaign against Donald Trump. Should that information have been released before any incriminating evidence had been found in their content?

Presented in the context of social suppression, the restriction of information may seem to be something predominantly used for manipulation. In reality, the restriction of useful knowledge is actively encouraged and even enforced by law in our daily lives. Since the ancient greeks in 500 BCE, patent laws have provided a sound example of how society purposefully prevents free access to information, restricting competition and rewarding innovation. New information is so valuable to society that we offer patents to its creators as a means of clearing the way for innovators to milk their new knowledge cows. Without protection of copyright, this book may not have been written.

Given the potential power available to those who hold it, it’s unsurprising that information is commonly used to manipulate purchasing decisions, and extort unfair profit in the sales arena. This is especially true wherever free flowing information is sparse, and one person holds an informed advantage over another.

In economics, the term information asymmetry is used to describe this situation; where one party in a buying relationship knows less than the other about a topic relevant to a sale. Information asymmetries exist everywhere and have been used for millennia to drive up prices, up-sell and otherwise talk individuals out of their cash.

Our old fashioned, silver tongued, used car salesman may well use information asymmetries to exaggerate the safety aspects of a more expensive car to a mother looking for the safest way to get her kids to school.

A Cypriot friend once shared a wonderful case of this imbalance at play with an intriguing story of an ice-cream seller from his home village on the Mediterranean sea. Everyday, the stall owner would write his prices up in chalk on an A-frame board in both English and Greek, with a catch. If you could read Greek, you could ask for a local price. This Greek price would secure locals what they knew to be the fair cost of an ice cream. Fail to speak Greek and you pay the higher tourist price. One ice cream, two prices, a single differentiator; the knowledge of the buyer.

Ever landed at an airport on vacation to be offered a cab ride by drivers who don’t use a taximeter? If you didn't know the true cost of a ride into town then you will have been only too aware of your own information asymmetries. No matter how hard you barter to bring the fare down, in that moment, you’ll have had to agree a fee without being certain you got the fair market price. One cab ride, two prices, a single differentiator.

As someone who sells, information asymmetries sound great don't they? If your sole goal is to sell at high margins, to people who you never expect to see again and you have no moral or legal reservations about extorting unjust profit, then sure, information asymmetries are marvelous things. In the retail environment information asymmetries are more likely to create distrust, introduce barriers to purchase and to turn off your buyers than they are to benefit your sale.

Information symmetries on the other hand, are where knowledge is shared between a buyer and seller; they are considered a precursor to an economically efficient marketplace. The internet has done a huge amount to combat knowledge imbalances and get consumers better value for money all around the world.

Price comparison websites such as moneysupermarket.com are a great example of information rebalancing in action. Such sites give the consumers the transparency they need on like for like plans to bring down the cost of cell phone contracts, utility bills and insurance plans alike. Similarly, Amazon brings online competition into the bricks and mortar retail environment by offering shoppers the ability compare product prices on their mobile device while browsing in-store.

The evolution of digital data capabilities mean that now more than ever, professional buyers at major retail chains, like online utilities shoppers, are well informed when they make decisions which impact the potential sale of your products.

Aggregated till roll data, loyalty card shopper insights and web tracking are all tools which the modern buyer will use to develop strategies for growing their sales ahead of their competition. Buyers stock what they do on their shelves not because it’s what they have available on hand, but because the data available to them suggests that those are the right product ranges to satisfy their shopper’s needs. Furthermore, products are sold and promoted at prices which buyers are confident their shoppers will pay, again based on the available data.

On occasion, retailers even go so far as to use the data at their disposal to take branded suppliers out of the equation all together, through the creation of own label product ranges. Own label creation is a resource intensive process. Despite this, retailers continue to create their own merchandise to perform where they feel their suppliers are lacking. Retailers undertake this activity driven by *their* understanding of the data; using it to fill ranging gaps, differentiate themselves from competitors, and reduce the costs for larger profit margins, rather than buy a branded equivalent.

Some retail businesses take information acquisition to the next level. Retail giant Wal-Mart is a great case in point. Ex CEO Bill Simon once claimed the retailer’s “ability to pull data together is unmatched”, despite the continued rise of e-retailers like Amazon.

Bill Simon might have been correct. Having invested heavily in their information architecture, Wal-Mart collects more than 2.5 petabytes of data from sales to 1 million customers every single *hour* of the day, (that’s a mere 2.5 million gigabytes, or some 39 thousand iPhones worth of shopper data per hour to the rest of us).[10] Not content with sales data alone, that data is now being combined with external events like geo-tracked fuel price changes to really paint a picture of the way that their shoppers buy, and what influences their behavior.

This assertion is not to suggest, however, that buyers know all that there is to know about the categories they purchase. In fact, Wal-Mart buyers, like many others around the world are surrounded by such an enormity of information that it can sometimes be hard to see the wood from the trees.

More significantly, purchasing data collected on customers at the point of sale will tell you a lot about what a customer bought yesterday and the week prior, but alone it won’t tell us what the consumer might want to buy *tomorrow* in light of emerging trends. It is in highlighting the things which will be most important to our customer tomorrow where the effective salesperson has a role to play; influencing important decisions and filling the gaps.

A New Breed Of Salesperson

So, if preparing to sell well really means understanding both our customer *and* our customer’s shopper needs, and we can do this by making the most of the data around us, how do we begin to tackle the task?

An incredibly effective way to do this is to embrace the power of insight by pro-actively *creating* our own buyer-seller information asymmetries. But we just decided that asymmetries create distrust, right? That depends on how you use them.

Once armed with knowledge which is useful to our customer, we forge the chance to leverage that insight, not by keeping it secret, but by *sharing* it in a way which will best enable you *and* your target to deliver your mutual goals. This brings us to our final selling truth:

- **TRUTH 3: YOUR SALES POTENTIAL IS LIMITED BY THE INFORMATION YOU HOLD**

The more we know about a situation the better our chances of controlling the potential consequences with appropriate plans. If the practice of withholding information for commercial gain is a distrustful one, then the process of information gathering and sharing achieves precisely the opposite effect. In the world of consumer products, if you want to stand out from the crowd and prepare to wow, then your selling strategy needs to centre on your business intelligence. This will become the very thing which your buyer will look to you for, as a critical component to *their* success.

The new generation of salesperson relies on a strategy and the use of tactics which focus initially on earning credibility and trust by demonstrating their knowledge. They then find an opportunity to create value, and finally tell their buyers a carefully crafted story. The story told will be one that sheds light on an otherwise hidden path; a route their customers can follow to create new shared value through mutual sales growth.

This principle of leveraging expertise as a platform for selling first became established in the 1970s, known as the *consultative sell*. In short, the consultative selling approach differs from a standard sale in that the person selling:

- is more focussed on customer needs.
- bases their proposals on insight.
- offers bespoke solutions to unique problems.
- takes a more interactive stance throughout the process.

The consultative approach to selling focusses on the carefully considered needs of the customer, and offers a solution that fits, rather than trying to convince a customer that a product and its USPs are useful irrespective of the need.

Given our understanding the psychology affecting “buy” vs. “no buy” decisions, we can see that the power in the consultative approach lies in its capacity to reduce the risk of a “no buy” situation in two ways.

Firstly, a logical data based approach will ensure we can get close to a buyers needs and then weigh down the right hand side of the psychological seesaw by offering a tantalizing solution which we can show to be fit for purpose.

Secondly, by demonstrating our market knowledge and paying close attention to the details which make our buyer and their situation unique, we sew the seeds for a relationship based on credibility and trust. Remember, all things not being equal, people still like to buy from their friends, because they trust them.

Developing our expertise, and demonstrating our understanding of useful information, therefore, will enable us to transform ourselves from salesperson to consultant. In the world of consumer goods, the consultative approach is the *category sell*.

By employing the category sales approach a salesperson isn't just trying to sell an item but rather a *solution*. In the consumers goods arena the category aware salesperson identifies business challenges, and offers relevant, focussed solutions. Our solutions are not just the products we sell, but rather our combination of products, promotional plans and marketing initiatives which will empower our customers to unlock growth through one or more of the levers we identified in the chapter, *Selling 101*.

Watch Out! The Request for Exclusivity

If you've been in the game long enough you will probably have come across the request for product exclusivity from a buyer. Our basic definition of consultative solution might suggest that bespoke solutions are a good thing, but not so fast!

Commonly, your best product, is your just that, your best selling line, and therefore the one that is most likely to maximize your sales potential with a customer. Clearly, giving exclusivity on that item will sacrifice your potential to secure sales elsewhere and can be costly to you.

Providing a retailer with a similar yet, unique product can be tempting, but is an equally risky move. Selling merchandise with second rate qualities will add complexity to your own supply chain and likely deliver lower sales when compared with the sales potential of the original, non-exclusive item. If ever considering this move, carefully consider the pro's and con's.

Usually, the request to offer unique solutions can be met by tailoring the elements of your commercial plan, rather than your product, so that so that it best supports the sale of your merchandise in your customer's stores.

Whether you offer that through product variants, special promotions, marketing plans, or a combination of all three, is at your discretion.

The Four Cornerstones Of Category Selling

What steps can you take to shift yourself from salesperson to category expert and still see your own products sell?

The pleasing news if you're reading this is that industry leaders practice a technique which predisposes their sales teams to making this happen. Those techniques are shared here, now.

Building on the basics outlined in the chapter, the first step required of us, if we are to adopt a consultative approach to selling in the consumer goods industry, is to develop expertise for the type of product our business manufactures. This means understanding the dynamics of our market, emerging trends and the consumer purchase drivers for our category.

Crucially, we need to understand the changes in tide of shopper preference well enough to be able to differentiate how they are impacting, or will impact, our customer in the future. This in turn requires an understanding of those nuances which make our customer unique within our market. Once we understand the forces at play in a market, and the likely impact those forces will have upon our customers, we can start the job of identifying opportunities, and then proposing ways for our buyer to capitalize upon them by growing their sales.

"Yawn?" Perhaps not, let's break that task down into some bitesize steps…

A default sales sales pitch might often resemble the offer of "product A for price B, because it looks or tastes nice and has some really great qualities." Receive negative feedback about some of those qualities and the person delivering that pitch might find themselves fought into a corner. Instead, successful category salespeople anchor their sales efforts on the following four cornerstones:

1. **Insight** - they endow their buyers with a better understanding of the needs of their shoppers > *they win credibility*.
2. **Opportunity** - they show how those learnings can be used to identify opportunities to grow category sales for their customers > *they shift to consultant.*

3. **Action** - they make it easy for the individual to act on their new found insight, by proposing a plan to capitalize upon the opportunity and demonstrate that they are the best partner to do it with > *they offer tangible solutions.*
4. **Reward** - they make it clear what they, and their customers stand to win > *they call their buyer to action by playing to their desires to do well and succeed.*

These four cornerstones are the context, beginning, middle and end to a category sales story which if used to maximum effect become a successful seller's mantra in all customer communication. By embracing each cornerstone individually, and then bringing them together in your sales pitch, you too can become one of the best sellers in your field. As we'll see, putting those steps into action isn't as complicated as it may sound.

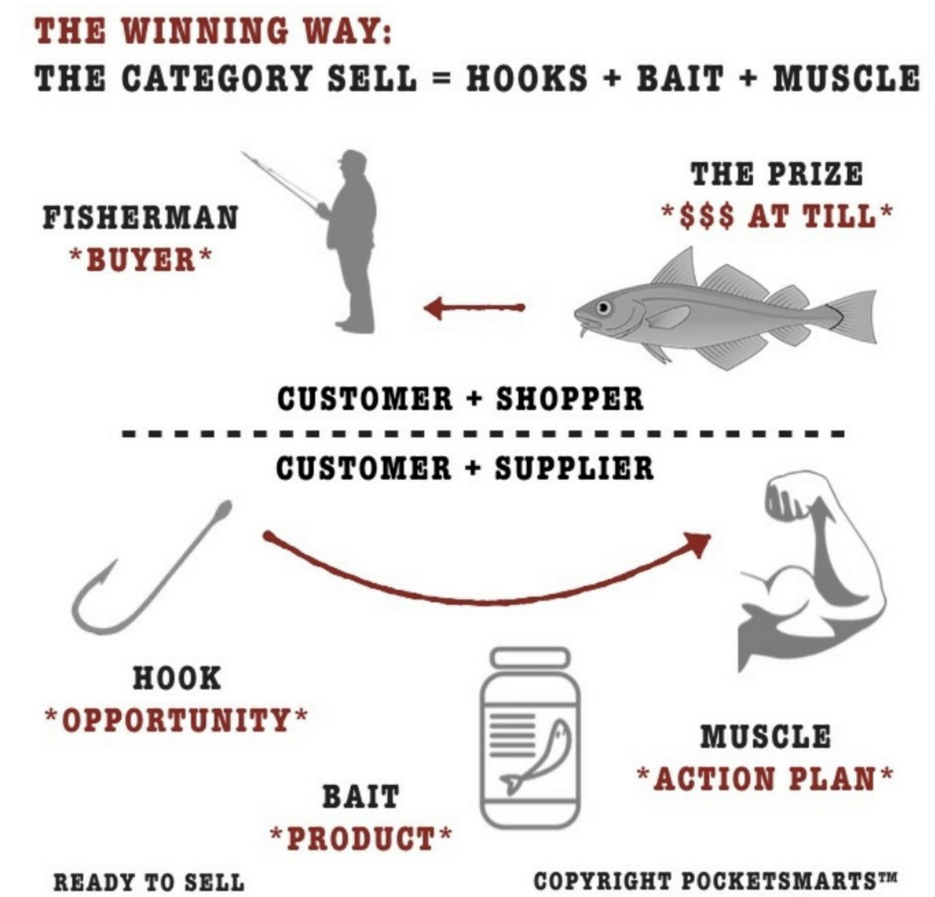
Fishermen And Bait For Hooks

To solidify our roles in this model it's helpful to apply the four cornerstones of category based selling to the analogy of a fisherman and their friend.

Let's suppose we live in a sleepy little town by the coast and are expert fisherman. Our best friend moves in next door and buys a rod and line. The sky is every shade of pastel blue and the sea is teeming with shoals of fish, glistening by the shoreline.

Our friend wants to learn how to fish so that they can live out their days with us in this idyllic place at the water's edge. To succeed, they will have to catch a quota of fish sell at market for a living. There is a whole coastline to fish from and a bewildering array of weights and lures that our friend can choose from to make a catch.

We ask ourselves, what can we do to counsel our friend on how to overcome the challenge and bring in the highest value catch? We're great at fishing and we know the fish in these waters like the back of our hand, so we arrange to meet with our friend at the shoreline to pass on some prudent advice.



Standing at the bay, glistening with different shapes and sizes of fish we, first of all, provide the fisherman with the knowledge they need to know to get started.

We describe the different types of fish which gather by the shore to our friend. We share our understanding of how they live their aquatic lives in the bountiful sea, where they like to eat, and what time of day they're mostly likely to be hunting for food. We know that not all fish prefer the same food. If we were to cast any old combination of bait and tackle into the water, the type and size of fish which we catch, if any at all, will be decided by luck which could be risky.

We tell our friend that a better plan, is to try to catch an exceptionally tasty type of fish which we know will fetch a fancy price at market. Our friend agrees that trying to catch this particular fish is a tremendous idea. We see eye to eye, which is great; we can be of use to our friend! So we tie a hook to the end of their fishing line.

Our next job is to tell our friend which type of bait they need if they are to catch their target. Luckily we happen to have just the right type of bait with us. We offer the bait up, our friend happily accepts and attaches it to their line attentively, ready to catch the fish we know is waiting out there.

At this stage, our fisherman has all the gear, but no idea about how to actually pull the fish from the sea with their equipment. We recognize that our friend needs to know how to cast their line and baited hook. They also need to know where they should aim for the best chance of landing a catch, so we give them our expert advice. Carefully, and clearly, we describe the precise angle to cast into the sky, tell them how to feel for a bite and how, once they feel the gentle nibble at the end of the line, to pull their catch into shore. Eager, and hungry to land the fish we have so eloquently described, our friend casts their tackle into the bay and waits.

Finally our friend feels it! The gentle tug, the niggling pull which grows stronger and more forceful at the end of the line. Excited, our friend starts to turn the reel, but it’s heavy and the load at the end of the line is reluctant to move.

“Perhaps…”, our friend says, “its not worth pulling in after all. It does seem like a lot of hard work, maybe an easier catch will come along?”.

We know our waters, and we know our fish. we know that reeling in a prize worth catching is seldom an easy job, and that they have the opportunity in their hands for the taking. All that remains is for us to motivate our friend to push through this final hurdle. We remind them of their vision for easy beachside living and tell them it’s within reach. We describe the fish that’s there for the taking, in all its heavy, shimmering glory. Enthused by the prospect of what’s to come, our fisherman finds the resolve to reel in their reward and lands their catch. We’ll all eat well tonight.

In this analogy we find our first of five retail sales plays, and one which is crucial to modern selling strategy for consumer goods:

PLAY: DON’T SELL PRODUCTS, SELL OPPORTUNITY HOOKS AND OFFER SOLUTIONS

Perhaps we trade worms with fisherman. That’s fine, but the wise worm breeder peddles his worm not by talking about how colorful and wriggly they are, but rather by how tantalizing the fish will be that takes it.

When we use our insight to highlight a consumer need or market opportunity to a customer we're providing the hook with which they can go fishing for a reward.

When we suggest listing a new item we are offer our fisherman the bait they need to catch the fish they want.

In showing our buyer how to cast, we are presenting the plan of action which they will need to put their tackle to effective use.

Finally, when we're within reach of landing our catch, the effort required to make the plan happen will become all too apparent. This is important. It's at this moment that we need to give our buyers the energy and motivation to put in the hard work, and reel in reward. Without our added impetus our buyer may well use their resources to catch something else, which they perceive to be bigger, or easier.

With the sale all but complete, we switch our attention to giving the individual the incentive to take action. In the retail world, we do that by quantifying just how big the financial recompense will be once landed on deck. Here lies our second of five selling plays:

PLAY: SIZE YOUR PRIZE TO MOTIVATE FOR ACTION

Put another way. Tell me to buy an orange worm and I may tell you to get lost. Selling a worm without a hook is a hard job. Tell me I can catch a great big fish with your orange worm and you will have my attention. Do the above and tell me how to tie a weight, cast and reel in, and I might very well buy your worm. Remind me what's at stake when fishing starts to look like hard work and I'll bring in the reward. Do it in a friendly way and if the fish turns out to be as big as you said it would be, I'll buy your bait for years to come.

Try this for comparison. Offer me a 'no tears shampoo'? I'm a brave grownup, no thanks! Tell me that 70% of my shoppers are mums, and that 50% of those mums say their kids hate bath-time because it stings. Now, I'm listening. Tell me you have a no tears shampoo with a recommended selling price of $4.99, a suggested promotional price of $3.99, which you can be confident are prices shoppers will be willing to pay, then I might be buying from you. Show me that I can retail $3 million a year in retail sales by putting it on my shelves, and hint at how doing so will make me a hero in my retail business in the process, and I'm sold!

The same formula can be applied to *all* selling situations. The trouble is that many of these situations become more and more complex to understand and the opportunities harder to spot. Accordingly, they become just as difficult to describe to our buyers. Even with a wealth of data available it can sometimes be hard to discover the real forces driving the performance in our categories.

Why are my sales declining? Why am I losing shoppers to my competitor? How can I get back on target?

The great news is that there are *lots* of places where we can look for clues and find answers. Once we have the answers, we can build a plan to deliver the outcome we desire. This is why preparation is so important; it forms the basis for everything we do. Preparing to win by creating a sales pitch anchored on the four cornerstones of category selling, is a strategy which sets a great salesperson out from those who peddle orange worms without hooks.

In the next chapter we'll look at how we put our new selling strategy into action.

Four

Make "Yes" the Easy Choice

Tactics - use a language of consensus

> *"To say yes, you have to sweat and roll up your sleeves and plunge both hands into life up to the elbows. It is easy to say no, even if saying no means death."*
>
> *Jean Anoulih, French Playwright*

> *"Sometimes big problems are solved with lots of small and creative solutions."*
>
> *Ricardo Salinas Pliego, Mexican Billionaire, Founder and Chairman of the Salinas Group*

TO BE A CHAMPION at the category sell, we need to be able to build clear, logical and compelling category stories. These stories will offer you and your buyer the opportunity to engage on a common narrative as partners. Together, you will solve the key issues at hand under the consensus that your product and solution are the best tools around for doing the job.

Going far beyond pushy sales tactics, adopting the strategy outlined in the previous chapter will enable you to design solutions which are tailored to capitalize on the the opportunities in your category. With clear framing, logical structure and supporting insight, your bespoke plans will no longer need hard hustle but rather become the obvious plan of attack for both you and your buyer.

Executing the category sell well will not only create demand for your stock, but it will ensure that you put solutions in place which, when built on insight, are more likely to succeed in the long run. This is important!

If employed thoroughly in our commercial planning, and even in the earlier innovation phase, the preparation that goes into the category approach will not only secure the sale of your product to your buyer but will also give shoppers what they really want. Remember, it is fulfilling the end user's needs will ultimately deliver the holy grail for a mass market product; large scale, sustainable, sales volumes at the cash register.

In the following pages we will cover some practical techniques which you can use to create insight, find opportunities from what you have learned and then pave the way for palpable action which will deliver sales revenue and growth.

Tackle Macro Level Issues

We know that step one in adopting a category approach to selling consumer goods is to achieve expertise. In an information rich buying environment, outlearning our buyer on everything there is to know about a group of products is a tall order. Doing so will require time, possibly lots of it, which quite frankly, doesn’t sound much like fun either. Thankfully, it’s not necessary.

The smarter approach to building expertise is to cut the crap, identify the issues that matter most and understand how these issues will impact you and your customer. We need to know enough about the topic at hand to talk about the big issues which will impact a retailer’s buying strategy, not everything we could ever talk about on the subject. Focussing our time on the most important issues will enable us to have fruitful discussions with our buyers, after preparation time counted in hours, rather than years.

What matters? In the chapter, *Selling 101*, we lifted the lid on the key demands for a buyer. In a nutshell, buyers need to i) stay close to consumer trends in order to ii) grow sales faster than their competitors and iii) do it profitably, to iv) secure business sustainability and iv) reward stakeholders, meaning they v) get paid and promoted, which enables them to vi) live the life they want to lead.

It is these high level needs which will influence a buyer’s planning for their category. With their strategy established, a customer will then guide their sales performance in the direction they set using several tactical levers. These levers are implemented at a detailed level, and are commonly limited to finding the best combination of product range, pricing, promotional offers and marketing initiatives. With this in mind, both the high level *and* the granular detail are in important. In our selling stories, we can acknowledge this and allocate our preparation time and key pitching points accordingly.

To ensure our category sales story is easy to digest and insight rich, we must first gain agreement on broad, high level challenges which influence retailer strategy, before we then tackle the detail of action plans for shared success.

The first stage is to start big, with what's going on in the world, and how that influences consumers and buyers alike in your market. These are 'macro' issues. We must identify the emerging trends, and understand what impact those trends will have on market and category dynamics. We also need to be able to articulate how our customer is fairing, or likely to cope, in the face of those trade winds. We can then identify opportunities for your customer to improve on your prognosis, by both capitalizing upon opportunities and mitigating risks, through 'micro' level action plans.

This macro to micro funnel will become the guide for your future selling stories and put you on a level playing field with your buyer when it comes to discussing listings or new commercial plans. The great thing about this approach is that it empowers you to become an expert on a narrow set of things which matter, *without* needing to learn everything there is to know about a category. Powerfully, this tactical approach to preparing means you can become an expert in the shortest time possible. In its most basic form, we simply need to know enough about our category and our products to be able to identify the key problems, frame possible solutions, and articulate a compelling story. Here we land on our third of five plays for successful selling of retail products.

PLAY: BECOME AN EXPERT ON THE THINGS THAT MATTER

If preparation is key, becoming an expert is imperative. How do we become experts? Let's run through a practical method which we can take to narrow in on the issues that matter to our customer, and to their consumers.

SWOT The Big Stuff

It may be that you're already crystal clear on the big issues in your industry, fantastic if so. You may still want to consider whether the below structured approach to leveraging your expertise might be useful. If you're new to your category, this may be particularly handy.

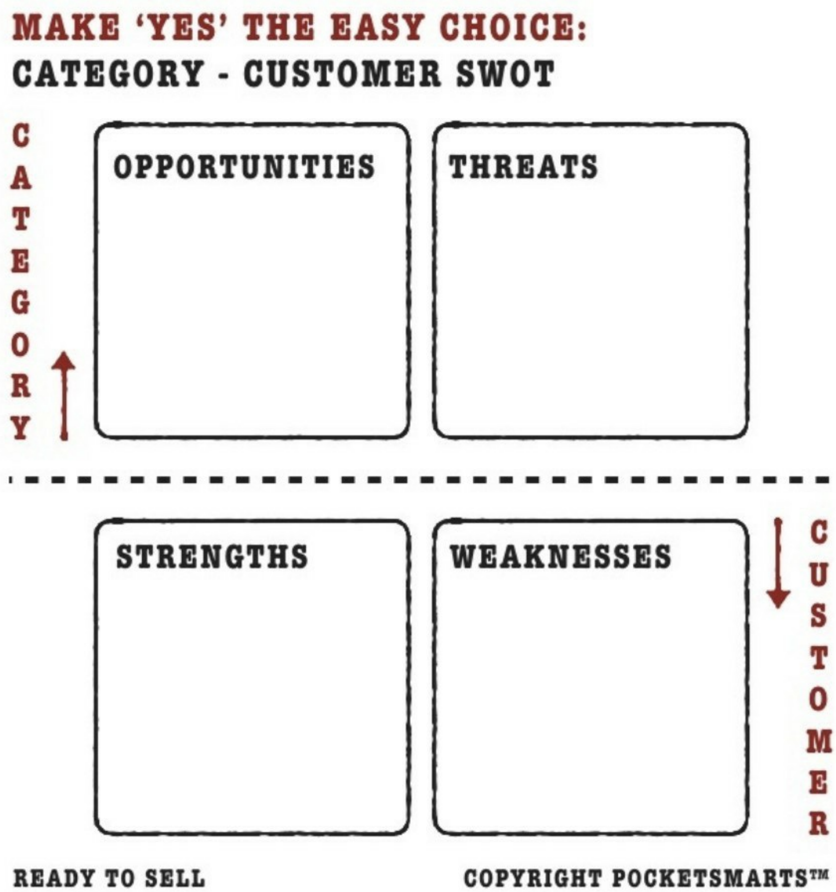
In building our macro to micro argument, a great staring point is to work-up a combined *category - retailer SWOT analysis*. Unlike a standard SWOT where we would normally look at a market or business in isolation, we'll use this single SWOT to tackle both pieces of the jigsaw, spanning macro market considerations *and* the more granular interpretation of any likely impacts on our customer's business.

We'll give two quadrants of our SWOT to the higher level total category in the market, and two to the the specific retailer business in the same category. The quadrants given to the total market will be the Opportunities and Threats, while the Weaknesses and Strengths will be used to capture information on the retailer, and how well they are set-up to sell the type of products in question.

To begin, we need to pinpoint the trends that are at play, those which look likely to or already present Opportunities and Threats to the category you operate in. Note, at the outset we'll be looking to complete this exercise using bullet point answers only, to a number of pointed questions. Don't get caught up in the detail, you can always go back and capture that later.

To complete these first two quadrants we must identify the type of headline stories, relevant to our category, which would be reported at a national news or industry body level. If you are a start-up, these issues will likely be the ones that your business was founded to address. If you work for a well established business, these might be new trends which are already impacting, or are likely to impact, your sales potential in the future. These are the trends we want to focus on.

Which major issues come to mind? Is there a shift in end user values? Maybe there is a debate on new regulation to deal with economic or health challenges? Perhaps there is an



emerging new technology which could shake-up the way things are done in your category tomorrow? Whatever the key trends you identify, narrow them down to the one or two trends which are most significant in the field you operate in.

If the ideas that come to mind are loose at this stage, an online search query on some of the above terms, targeted to your geographical market, may come-up trumps. For packaged fruit juice producers, an example could be "new legislation + sugar content + fruit juice + USA." Take note of the headlines and sources, as you may want to reference these at a later date for a credibility boost.

Should you find that the market is devoid of any attention arresting new trends (it can be common in well established, commoditized, high penetration categories like tomato sauces), then the challenge of overcoming your category's stagnation is the very issue for you and your buyer to tackle.

With the key trends identified we need to now develop our own simple hypothesis on what these trends might mean for total category sales across the market. These hypotheses will be the things we put into the Opportunity and Threat quadrants in our SWOT. One way way to do this is to answer the following questions:

- are these trends I have identified likely to continue?
- are they likely to increase, or decrease, volume and value sales of products similar to mine now, or in the future?
- with the information I already know, *why* do I think that's the case?
- If I don't know the answer, does a further online search for an industry report, or an interview with a thought leader shed any light on the topic?
- If not, who can I ask that might be able to clarify the potential consequences of this trend on future category sales?

Capture your headline Opportunities and Threats to the category in the two category quadrants. A theoretical example for the fruit juice category could be:

Example - Threats

- New legislation to mean tougher labelling restrictions and higher sales taxes for excessively sugary fruit juices
- Non conforming products will be pulled from shelf
- Risk of lost sales for total category

Example - Opportunities:

- Consumer demand for new, low sugar fruit juices
- Retail support for innovative solutions
- First mover advantage for the manufacturer and retailer that become known for offering shoppers healthier alternatives

Get To The "So What?"

Now considering your new hypotheses for the future risks and opportunities affecting your category, it's time to turn our attention to the retailer we are selling to.

Here we are interested in identifying areas of comparable Strength and Weakness in the way that a retailer is set-up to sell our type of product, in light of the trends you have identified. Identify what makes your prospect well positioned to capitalize upon the opportunities or, if necessary, mitigate the looming threat?

If you find it useful, try answering the following questions, each taking a more detailed view on the situation to guide you through this process:

- is my customer ahead of, or behind, the curve on the trend that I have identified?
- are there any core company values which make these trends particularly relevant to my customer?
- are there any geographical, structural or technological constraints at play which make this trend easier or harder for my customer to adapt to?
- does their core shopper demographic put them at an advantage or disadvantage?
- does the customer's current range and promotional plan maximize the opportunity at hand or make them particularly susceptible to a threat?
- how is your customer performing in comparison with the retailers they compete with, and why?

Top Tip! Shopper Profiling

When considering your customer's consumer demographics it can be useful to create a typical shopper profile, or persona, by creating groups of ore shoppers which are indicative of their average age, earning power, gender, and if possible, consumer preferences - e.g. what is their key shopper mission? What are their interests? Why do they buy what they buy?

If you plan to share this persona with a buyer, then be careful to make sure that they are not derogatory and avoid making any overblown our unqualified statements.

An even better way to engage with a customer on the types of shopper they're hoping to attract is to use their own definitions of groups of people they retail to. The marketing teams at many retailers build these profiles based on quantitative and qualitative research, and will often share them if you ask.

Knowing whether your customer is outgrowing the competition or lagging behind is a powerful piece of insight. This piece of business intelligence will not necessarily change your final proposition. It can, *however*, have a fundamental impact on the way that you can *position* your category selling story, as either as one of missed opportunity for the customer; a gap which you can empower your buyer to close, or as a chance for your customer to play to it’s strengths; keeping them ahead of the competition.

A localized West Coast healthy eating trend among affluent 18-30 year old body conscious females presents a retailer with an obvious opportunity if they operate a localized grocery chain out of key urban centers from Seattle to New Mexico. Capitalizing upon the same health trend will instead present a conundrum to a buyer who operates grocery stores with an East Coast footprint and sells to a less affluent, less health aware, core shopper aged 45+.

You’d be surprised at the level of free information you can find online in company reports and press releases, but you can afford to make some assumptions here if statistics aren’t at your disposal as a rough idea is better than no idea. Beyond relying on your intuition, a search engine and your network to get you the answers you need, you may need to dig a little deeper to truly get under the skin of the issues affecting category you operate in. Exploring additional data sources may prove useful in your quest to empower yourself through insight.

Place your bullet point answers to the above questions in the remaining two quadrants dedicated to your target retailer. To continue our theoretical example, we might find that our customer displays the following strengths and weaknesses:

Example - Strengths

- Has a great fresh food range
- Has a health conscious core shopper
- Sells more than it’s fair share of fruit juice compared with competitors
- Has great social media engagement with it’s customer base

- Is known as *THE* place to find the next big health craze

Example - Weaknesses:

- Is overly reliant on sugary fruit juices for its total beverage sales
- Doesn't have a good selection of non-sugary alternatives
- Has no own label product with which to react to changing demands

Top Tip The Right Data Source For My Category Story?

There are lots of different data sources out there. These offer a range of both qualitative and quantitative insights on your target shoppers, your competitors, your customers and your overall category.

The most common types of category data at your disposal, their uses and their providers are outlined in *Additional Resources* at the end of this book. A rough guide on the associated costs are also given.

Budget permitting, you will no doubt find that used appropriately, these additional information sources will enable you to solidify your assumptions and reach ever increasing levels of clarity over the issues that shape your market. Some of these sources require serious investment. Others offer the modern seller a way to bootstrap their category story on the leanest of shoestring budgets.

With the SWOT now complete, we now want to use our workings to create bullet point answers under new headings, which will form two of our category selling cornerstones. The first heading will be **Insight**. Based on the trends which you have identified, insight will simply be the list of items in your SWOT that offer the *category* context for your selling story. In our example our insight list will be:

Example - Insight

- New legislation to mean tougher labelling restrictions and higher sales taxes for excessively sugary fruit juices.
- Risk of lost sales for total category.
- Consumer demand for new low sugar fruit juices offers way to

counteract the sales risk.

Next, we need to use our customer strengths and weaknesses to clarify whether the *category* Opportunities and Threats we have uncovered will pose knock-on **Opportunities** or Threats to our *customer*. Is your customer well positioned to capitalize upon the market trends at play? If not immediately apparent, these questions may be useful:

- Do your customer's strengths and weaknesses magnify the market opportunity for growth or intensify their risk of decline for the sales of their category?
- Are there clear approaches which your customer could take to capitalize upon the opportunity or mitigate the risk?
- Which characteristics enable your customer to react to change, or inhibit it from doing so?

Use your answers to the above questions to identify whether the market dynamics you observed in your SWOT present *your customer* with specific opportunities and threats. In our example case:

Example - Customer Opportunities

- Improved health credentials for the retailer seen to solve the problem of excessively sugary juices.
- Their existing strength in healthy foods and good fit shopper profile make our customer the right retailer to lead the challenge.
- Their current range is overly reliant on high sugar offerings.
- Listing new innovation that tackles the sugar issue should be a priority.

With this exercise complete, you are now equipped with a panoramic view of the scene you are selling into. You can be confident in your understanding of the top level forces that impact your category. You are well positioned to probe your buyer's own interpretation of the challenges they face, and together discuss a plan to tackle them. In presenting these issues concisely, and getting to the 'so what?' behind the mountains of data available on it's shoppers, you will earn credibility. You may even put an exciting new topic on your customer's strategic radar in the process. You now have the first two cornerstones covered for your new category selling story.

Top Tip! Filling In The Blanks

If after completing this exercise you don't feel you have *all* the answers to the questions above, build some questions of your own which you can raise with your buyer to bridge your knowledge gaps. Your prepared list of questions will set you up for a fruitful discussion to help you to get to the bottom of the issue when you meet your target.

We will cover pitching in more detail the following chapter, *Get The Deal*. Embracing the consultative approach and adopting a conversational tone in the way that you tell your category story can be very powerful. If you manage to demonstrate your expertise, while showing you are open to input from your customer, by offering constructive insights of their own they may be able to fill in any missing pieces of your story. In doing so, *they* will be improving *you*r sales pitch.

Action With Micro Level Solutions

Considering our hooks for fisherman analogy, we have told our friend about the local conditions for fishing and set ourselves up with an opportunity hook, its now time to offer a solution which will empower our buyer to reel in a large, tantalizing, prize.

This next step requires that we create a tangible **Action** plan which will arm our retailer with ways to leverage their strengths and counteract their weaknesses. These will be actions our buyers can take to accelerate their sales growth or prevent potentially catastrophic category decline.

As we enter solution mode, it is time to shift our mindset from the macro issues to now identify the micro levers which our buyer can control, and if pulled, will allow them to either course correct, or accelerate faster ahead. We're now looking for initiatives which you can recommend to your customer to secure the future success of their category in the weeks, months and years to come.

Any action plan needs to cover the following basic detail:

- **Product**

- **Recommended Selling Price (RSP)**
- **Distribution**
- **Promotional Depth and Frequency**
- **Marketing Support**

How you choose to mix of each of these basic micro levers will vary dramatically contingent upon the type of business you run and the position of your product in its lifecycle. Despite this, several common situations are addressed below with scenario specific questions which help you to tease out your own action plans to fit the opportunity ahead:

THE ENTREPRENEUR DEVELOPING NEW BUSINESS

If you have a blank canvas to innovate upon, or are designing innovation to launch within an organization then kudos to you. Employing this macro to micro process early enough in your product development process will ensure that you create propositions which are fit for purpose at fulfilling the category gaps you have highlighted. Some more situation specific questions for you:

- How do your values match those of your customer?
- Without the restraints of existing business demands, how could a challenger brand best meet emerging consumer trends?
- Who are your target shoppers? What do they need? Where do they buy their products currently?
- If shoppers are losing interest in the current retail proposition within a category, what would bring them back?
- Where are your competitors lacking? What is the category missing and how can you fill the gap?
- What would a great product look like? What would it offer the end user? How should it be displayed?
- What volume sizes are most commonly bought and do they really suit shopper's needs?
- Is there an ideal recommended retail price you should work towards to drive category growth levers?
- Will your theoretical recommended selling price create potential trade-up for the retailer, or will it drive penetration?

- Will your proposition provide the retailer with an opportunity to grow value sales or drive volume?
- How can you collaborate on marketing initiatives with your retailer to drive awareness of your proposition?
- How will you promote your solution to drive trial and compete?

Use your answers to these questions to steer you towards the combined product, commercial, in-store marketing solutions which are focussed on capitalizing on the opportunity you have identified. Considering these details thoroughly will ensure that your future solutions are both market focussed and customer ready.

Launching New Innovation Into Your Existing Retail Customers

If you are listing a new product, you will want to think about how the USPs for your new lines create shared value for the end user, relevant to the trends you have identified. If a product quality isn't relevant to your category story, its not much of a category selling point. It is crucial that you can articulate how your product will empower your customer to grow category sales in the context of your macro trends, by pulling on the growth levers previously identified in the chapter, *Selling 101*. If your USPs are already determined but they don't fit the opportunity you have identified its time to go back and find another one.

In addition to the above questions these may help you create your action plan:

- What can your brand or product offer to enable a customer to capitalize on growth trends, or support them overcome market challenges?
- What qualities make you, your brand and your merchandise the ones for my retailers to back if they are to adjust to new trends?
- How will your innovation compliment your existing product range and drive total category sales growth?
- How will you ensure your stock sells through promotions suited to the nature of your category?
- Why are those the best promotions to use to maximize value or volume sales growth?

Business Terms Contract Renewal

If you already have a listing and you are seeking a renewal of your annual investment and listing terms, or want to grow your existing shelf space without any innovation to offer then we will ask ourselves some more targeted questions. In this case you will need to understand how your sales performance compares with that of the overall category, and your competitors. The objective is to give your customer a plan which shows why, without new innovation, continuing to list your products is good for your buyer today, and will be relevant tomorrow.

Your proposed solutions will often be slight adjustments to your historical plan, which take account of new trends, to steer your sales partnership toward new horizons. The following questions may be useful when building your new plan for the year ahead:

- Do you understand your past performance in the category and that of your competitors?
- Are you outperforming the category in your retailer and market?
- To answer the above, is your rate of sale, or shelf productivity, higher than that of your competitors, are you growing faster than them?
- If not, do you know why not? If no, which data sources can help you to grow your insights and answer these questions?
- Can you find something to get excited about in your activation plans? How could you help your category grow by pulling on the growth levers via changes to your recommended selling prices, promotional activity or marketing initiatives?
- Does your packaging communicate your relevant qualities sufficiently well to create consumer value in light of the new trends you have identified? Is it time for a packaging refresh?
- Can you launch any new additions to your range later in the year to attract new customers or create more value by addressing new end user needs and filling category gaps?

In this instance the types of questions we are looking to answer in order to maintain existing relationships involve the need to combine historic analysis of performance with future trends. Again, refer to the *Additional Resources* section of this book to for an overview of sources of historical data which might contain the answers you’re looking for.

Defensive Maneuvers

In extreme cases, if poor performance at the cash register means that losing your listing is a serious possibility then the questions listed above apply. Answering them effectively will be the basis for selling your customer a reactive plan that can secure your survival.

This type of situation can be challenging and dealing with it requires a cool head. Keep your motivation to succeed at the front of mind, ensure you bring a positive attitude to your discussions, and adapt your plans with agility in the response to new insight. Doing so will be fundamental if you are to sustain your joint business.

If after researching the issue, you can't pinpoint why your customer would consider culling your range, be direct and ask your buyer for performance benchmarks which they are using to judge your sales against your competitors and the overall category. If you have developed trust and a solid relationship with your buyer then more often than not, you will get an honest answer. Make sure you understand the benchmarks, and with your knowledge of the different possible growth levers at your disposal, build a commercial and marketing plan to react, fast!

If in doubt, the best way to tackle the threat of a delist is to prepare for the challenge with the same rigor that you would if you were selling a new product to your customer. Look at things afresh to demonstrate your grasp of the issues at hand and offer remedial performance adjustments by pulling those micro levers. Wipe the slate clean and ask yourself, what can you do to address the big issues and ensure that your buyer continues to bet on your product in the years to come?

Action Plan Summary

In moving from trends to details, and shifting the discussion from macro opportunities to micro level solutions, we retain absolute focus in our communication. We tackle big issues with tangible levers that your buyers control. When you build your sales story, be it a slide deck or elevator pitch, if your narrative shifts from macro to micro, your proposal will be relevant and actionable, irrespective of where your product is in its lifecycle.

Finding the right action plan to activate your opportunity may be easier for smaller, more nimble manufacturers than larger ones who may be burdened with other business demands. On the flip side, larger ones tend to have more financial muscle to throw at a challenge. Rest assured, if you dig deep enough, and remain flexible to changing your proposal as necessary, 99 times in 100, there will be an insight lurking in the category data which you can build a successful sales plan around. If you and your organization can react with sufficient agility, then your plan will offer you a path to arrive at the positive outcome you are striving to achieve.

For the purpose of completing our example with this exercise, let's assume we are the number two juice supplier in the market and we have some new, zero calorie, juice flavored waters to add to our range. Our customer action plan to build on the Insights and Opportunities which we have identified might look something like:

Example - Action Plan

- Summary - Build on last year's sales performance by innovating to meet new health trends and adapting to legislative change. How? By:

Existing Business:

- refresh our packaging to account for new labelling legislation.

Innovation:

- Product - suggest the buyer remove the 3 slowest selling branded sugary juice drinks from the chilled juices fixture.
- Product - If we know which items those are, we can suggest "based on the sales data, that space could come from competitor products A, B and C."
- Product - list our 3 new, non-sweetened, sugar free, fruit flavored water varieties at the next range update.
- Distribution - List the lines in maximum distribution alongside our existing branded juices.
- Price - recommended selling price of $3.99*, which is slightly higher than the average price $2.99, of juices in the category, creating a category trade-up opportunity.
- Promotions - Propose to drive trial by promoting with a minimum $1.00 discount, or maximum price of $2.99 for 4 weeks, once at launch, twice

there after in the year.

- Marketing Support - Drive awareness through collaborative social media publications of the new range and promo offer.

Watch Out! Recommended Selling Prices (RSPs)

It is illegal in most countries to set or control the retail price of your products for onward sale. This is to ensure that pricing is as competitively low as possible for shoppers in the market. The pricing of your products on shelf must be left to the total discretion of the retailer. This includes promotional pricing too!

This does not mean that you can’t talk about what you think your product is worth to shoppers, nor does it stop you from showing retailers the support you can give them to lower the price through promotional activities and funding.

The standard best practice approach is to ALWAYS accompany any RSPs* or promotional offers you suggest with the caveat “**prices are recommended selling prices only*, *retail pricing is at the total discretion of the retailer*.” Stand by your caveat, and don’t contradict that statement in your discussions, verbal or written, which may otherwise provide grounds for a lawsuit or investigation by your local competition watchdog.

For promotional funding, it is more appropriate to talk about helping customers to reduce their prices to short term *maximum* prices rather than specific prices. The retailer would of course be free to go lower and offer the shopper a better deal if they choose to. An example would be to offer funding to a retailer to discount their product to consumers by ‘at least $1.00’, rather than ‘exactly $1.00’. If the retailer decides to drop the price further, good on them.

To caveat the caveat*, this Watch-Out offers **loose guidance only, and should not be considered legal advice, nor should it replace the advice of your own legal professional!

Size The Prize

To maximize your chances of successfully landing your proposal with your customer, we need to put our fourth cornerstone in place to complete our preparation, and build a watertight category story. This requires you to quantify the **Reward** that you are able to offer your buyer for going along with the your action plan.

In the category selling approach, the way to paint a picture of the prize you can offer is to evaluate the financial *retail sales value* of your proposal. Note this is not the revenue value we feed into our profit and loss sheet, nor is it the potential profit reward, but rather the total financial prize at the cash register.

Why focus on retail sales? Well, if we are motivating our fisherman friend to go fishing with our bait, it's more exciting to talk about the whole fish that they can catch, than the value of the part they will get to keep. Deciding who gets to keep how much of the money once any fish is sold at market can wait until we're clear that we both want to fish together.

In reality, how you and your customer finally decide to divide up your prize is a matter to be negotiated. Negotiation can only follow the successful sale of your proposition to the customer. The objective of your sales pitch is to create demand for what you have to offer. Negotiating during the sales pitch would be jumping the gun. We'll touch upon this topic further in the following chapter, *Get The Deal*.

It is important to note, when we share the size of the prize with our retailers we are interested in putting a figure to both the *total* prize and also the *incremental* sales potential to the retailer's category. The incremental figure is the net benefit to our customer; this is our real, underlying call to action.

If we know that in addition to sales targets other key metrics are important to our buyer, like new shopper recruitment for example, then you may also want to estimate how your solution will impact those goals. If that's the case, any non-monetary benefits should still be backed up with your estimate of the financial impact which directly relates to your customer's needs.

There are a number of ways that the total and incremental size of the prize can be estimated for any retail initiative, each requires a little basic math. Broadly speaking the most commonly used methods are 'top down' and 'bottom up'. There are several variations on each of these, and each will require us to make some assumptions.

In simple terms, a top down approach is often the go-to approach, as it offers a quick solution with information which, if stuck, can be ‘*guesstimated*’. Top down opportunities tend to be overstated. The downside to employing this approach is the threat it poses to your credibility. You don’t want to be called out for presenting an unrealistic goal and then lack the assumptions to back it up.

A much more reliable approach is the bottom up approach. In this approach, we can calculate the retail sales value using the key building blocks to a sales forecast. Distribution, rate of sale, promotional uplifts and recommended selling prices can be combined to give you a prize which is as accurate as your measurable assumptions.

In the bottom up approach, the risk of over exaggerating the opportunity remains. There is also the risk that you underplay the value in your proposal if your assumptions are too conservative. The advantage however is that this approach will give you a set of easily adjustable assumptions which you can share openly with your buyer, for transparency, trust and deeper collaboration.

The math behind a number of top down and bottom up approaches to sizing your prize is shared below. If you have this covered, of course feel free to calculate your buyer’s reward as you see fit and pass on to the final penultimate chapter, *Get The Deal*. Otherwise, consider which of these models might be the most useful to you:

Example - Math: Top Down - Basic Method

A. Size of prize = Target Share of Category *(%)* **x Total Category Value** *($)* **x Retailer Share of Category** *(%)*

E.g. Prize = 15% x $400m retail sales x 20% = $12m

Where applicable? Where you expect to deliver 15% of category sales in the retailer which holds 20% of a $400m market for that same group of products.

If you typically take 10% of sales in a retailer’s category wherever you sell your merchandise and you know the size of a retailer’s overall sales for similar goods, then this type of assumption will have some credibility.

Without it, the estimate will risk being perceived as pure guesswork.

Example - Math: Top Down - Indexing Method

B. Size of prize = Index *(You as Ratio of Competitor)* **x Competitor Sales Value in Retailer** *($)*

E.g. Prize = 1.5 x $5 m retail sales = $7.5m

Where applicable? If you know your product typically sells 1.5 x as much as your competitor's items, and you have an idea of your competitor's sales value in your target retailer, then you can use this to give your customer an idea of what you might be about to make them in sales.

If you know how much you sell in a competing retailer, you could also benchmark your prize using an index of the comparable size of the retailer you already do business with, vs. the target.

E.g. Prize = 2 x $5 m retail sales = $10m

Where you retail $5 million in a customer A and your target customer B has twice as many stores.

Note, both options A and B use benchmarks and could be considered '*fair share*' calculations which reflect a fair opportunity size based on performance elsewhere. If you believe that your item is a better fit for the target retailer in question than it might be elsewhere, you could apply a multiplier to reflect this fit in your prize accordingly. This is shown in the following example.

Example - Math: Top Down - Better Than Fair Share Method

C. Size of prize = Scalar *(adjustment)* **x Fair Share** *($)*

E.g. Prize = 1.5 x $10 m retail sales = $15m

Where applicable? If you believe that your merchandise will have a sales velocity, or rate of sale, which is +50% faster in your prospect than you see elsewhere — this would usually be due to a better demographic fit or busier footfall into store.

You may feel that assuming better than fair share is far fetched and might set you up for a fall if challenged by your customer. This would be a fair challenge. The other side of the coin is the one once shared by the Head of Buying at a leading national drugstore chain. In response to a major launch pitch the buyer replied, "*don't ever give me fair share. I'm not interested in fair share. I want to know what we need do to beat the other guy'*".

The purpose of our prize calculation is to excite our customers and motivate them to action. Generally speaking the bigger the better when it comes to size of the prize calculations, as long as you can comfortably stand by your assumptions.

Example - Math: Top Down - Source of Growth Method

D. Size of prize = Change in Category Growth Lever *(adjustment)* **x Current Retail Sales** *($)*

E.g. Prize = 1.25 x $10 m retail sales = $12.5m

Where applicable? If you know your current shopper purchase metrics (shopper Purchase Frequency, Average Spend per Pack and Packs per Trip), and currently retail $10m retail sales through your customer, and expect your new marketing initiative or promotion to drive your average shopper to buy or 5 times instead of 4 in a year.

In these scenarios it is important to consider whether your increase in one lever might cause a drop in another. E.g, increasing price will likely reduce average packs per trip, or drive switching into other cheaper products.

This calculation requires a more complex understanding of the category, and is usually reserved for larger businesses with appropriate levels of investment in market data tracking. For more on this, return to the introduction to growth levers covered in the chapter *Selling 101*, and also the *Additional Resources* section at the end of this book.

Example - Math: Bottom Up Method

E. Size of prize = Sales Velocity *(units/week)* **x Distribution Points**

(stores) **x Time** *(weeks)* **x Average Sales Price** *($/unit)*

E.g. Prize = 10 units per week x 3000 stores x $2.99 per unit x 52 weeks = $4.7m

Where applicable? This size of prize calculation is the go-to for smaller businesses and large ones alike, especially if they don't have the data resources required to make the other calculations robust. Even when data is available, running this type of calculation alongside the other alternatives is worthwhile so that you can triangulate data points for a reliable prize value.

Example - Math: Is Your Prize Incremental?

When using any of the above calculations it's important to consider whether the prize you are offering is incremental, or total. In the example D it is clear to see that the initiative you are proposing which will increase purchase frequency for example, will not deliver $12.5m, but rather an additional +$2.5m of sales vs. an unchanged plan. The prize will be even less if you drop your average price through promotions to increase frequency.

To arrive at the incremental size of prize you will need to make an adjustment to either account for sales already made, or for sales that your customer will lose from selling competitors products. This can be done simply as follows:

F. Incremental prize = Total Prize *($)* **- Current Retail Sales Value** *($)*

E.g. Prize = $12.5m in example D, - $10m current sales = +$2.5m incremental

And / Or

G. Incremental prize = Total Prize *($)* **x (1 - % of sales from switching** *(%)***)**

E.g. Prize = $4.7m in example E x (1 - 50%) = circa +$2.4m incremental sales

In this final example, the 50% estimate is an arbitrary figure and the result is therefore a rough estimate only. The more unique your product, the lower the contribution of switching in your sales figures and the larger the incremental prize. To offer some boundaries, if you only had 30% switching from competitor products into yours then you are doing very well indeed. By comparison, 80% switching would suggest your sales are largely the result of you replacing a competitor. Still great for you, but less exciting for your customer.

Top Tip! What's The Correct Answer?

There is a correct answer when you try to determine the size of prize. In reality, no-one knows what that is.

An exception to this is if you are selling to a retailer who will buy a fixed quantity of stock from you, with 100% certainty that they will sell the full volume at the cash register at a known price.

In standard listing scenarios, there are simply too many variables that will come into play over a 12 month selling window to ascertain the exact figure.

With no way of knowing what the exact answer will be, we need to focus on how the number feels to us, and how it might feel to our buyer. Is it realistic? You don't want to be told that you are "*smoking crack*" by your customer as they laugh you out of the room for being overly ambitious and losing sense of reality - unfortunately, it too has happened.

Equally, we do not want to pitch an incredibly relevant opportunity to our customer, get them excited at your proposition, only to see your estimation of size of prize and feel underwhelmed.

So how do we get this right?

Ultimately, you will be introducing an element of guesswork into the equation no matter which method you choose. What we need to focus on is developing our own gut feel for how big that prize might be in the context of the retailer's overall category sales, and whether it is within the realms of realism.

You can revert to the data sources highlighted at the end of this book for some figures to better make this judgement call. Specifically, you will want to find evidence of other initiatives which your buyer has run in the past for comparison against your size of prize figure. A totally free way to secure this intelligence is to simply *ask* your buyer to share their benchmark for their biggest launches historically, or average product velocities for the category, or competitor products. They may oblige.

If in doubt, as a general rule of thumb it is best practice to err on the side of optimism. We want to show our ambition and get our customer excited about what we can deliver together. If we don't believe in the opportunity we have created, why should anyone else. Just be careful to not go berserk or risk seeing your newfound credibility go up in a cloudy haze of hallucinogenic smoke.

Ready To Roll

Following the processes laid out in the pages above, empowers us to create a macro to micro sales narratives, and then those stories logical structure by organizing them into our four cornerstones for category based sales pitches. In summary:

- **Insight:** We are able to highlight the key issues that will be important to our customer.
- **Opportunity:** We can articulate whether those issues will present our buyer with a future threat or opportunity.
- **Action:** We are able to offer a plan that gives our buyer a practical way to use our products to take action that capitalizes upon the chance to create value or, if needs be, negates the pending risk.
- **Reward:** Finally, we have done our math and we know what our plan is worth to our buyer, and we can excite them with the size of the prize we bring to the table.

With these four bases covered, you are equipped with the tactical steps you need if you are to adopt a strategic approach to selling your products in the consumer goods industry. By building your sales pitches on these four cornerstones you will give yourself the best possible chance to succeed; you will prepare to wow your customers and form strong relationships.

As someone who is basing their selling strategy upon meeting consumer, category and therefore customer needs, take full confidence from your efforts. Your preparation will all but earn you your sale. You now have the three selling truths, and three of five crucial plays for selling *large* volumes of consumer products. With your happy, healthy body dressed suitably, and your mind focussed all that remains is to meet your buyer, share your story, and close the deal. In the final chapter, we will cover the remaining two plays which will help you to do just that.

Five

Get The Deal

Practice - closing will define you twice

> *"There are two kinds of people … Those that close deals and those that don't."*
>
> *Jerry Heller, Music Manager and Businessman*

> *"Effective communication is 20% what you know and 80% how you feel about what you know."*
>
> *Jim Rohn, Personal Development Legend*

MUCH OF THIS BOOK has been dedicated to uncovering the practical strategies and tactics which will prepare you to win at product sales.

We have focussed on the importance of buyer needs and discussed how as salespeople, we can create new solutions, or adapt existing ones to better meet them. In doing so, we have also established a method for creating concise, category sales stories which align your resources, and pull the right micro levers to capitalize upon macro trends.

Our sales story will give the sound logical reasoning that our buyer needs to reach a buying decision and action our recommendation. Even the best stories, however, can fall on deaf ears. To ensure that your story is well received, it's time that we return our focus to *art* of selling; that all important first impression, your unique communication style and the tools you rely on to maximize the efficacy of your pitch; your ability to cut through the noise of daily buying challenges and be understood.

If preparation requires space of mind and a little brain power, pitching and closing require practice. Here are the simple principles & techniques which you can rely on to bring home your own reward and close the deal.

Communicate With Intent

When we meet our buyers, whether for the first time or tenth, we are creating space in each other's day to open dialogue. The minutes you spend with your buyer are without doubt the most valuable moments in your working week, period. It is in those minutes where your money will be made and the parameters established for just how much.

Your preparation has given us the best shot at landing your deal. Dialogue with your buyer, whether on the phone, by email or face to face will, in turn, make or break the great opportunities which you have identified. Conversations have a habit of taking unexpected turns when two people come together with differing agendas, or where a party might want to take a position of power over the other, the chances of discussions unravelling increase. It's time to introduce our fourth and penultimate play:

TAKE RESPONSIBILITY FOR ALL COMMUNICATION

As someone who sells, we want to increase our chances of succeeding by controlling the flow of the conversation and keeping our discussions with customers focussed on those things which will achieve our desired outcome; agreement to list our product, or engage in our commercial plan. As such, when we meet with our buyers, we need to grip the bull by the horns and take full responsibility for ensuring effective understanding between ourselves and our buyers.

Our buyers have a responsibility to find the best solution to deliver upon their objectives. It is our job to make sure that we have the attention of our decision makers, that our conversation remains focussed and that we evoke the emotions in our buyer which will enable us to have a fun, collaborative and rewarding relationship. If our interactions aren't doing that, it's our job to change the way we interact with our buyer, no matter how obtuse we find the person sat at the other side of the table. The first thing we need to do to achieve this is effectively open our pitch.

Open

We know that to make a good first impression we need to be the best version of ourselves when we sell. We do ourselves countless favors when we arrive to see our buyers feeling healthy, dressed appropriately and wearing a smile that accompanies a positive, can-do, friendly attitude. However basic this may seem, this is our starting point, it is the subtle open we make before we have even said hello.

While waiting to meet your buyer, allow yourself 5 minutes to refresh your mind on your personal motivations and your professional sales objectives for the interaction ahead.

If its the first time you are meeting your customer, it's a good idea to put your them at ease at the earliest opportunity. Why? Because when meeting a supplier they are investing their time in you, they don't know how you will behave, or how productive the decision to meet you will prove to be. Might this potential supplier be about to waist their time by pitching awful products and commercial plans? If you already have a relationship with the buyer, perhaps you have arrived to bash their skulls because their finance teams aren't paying invoices on time?

Covering this early ground can be done simply by engaging in a limited amount of small talk, thanking them for their time, framing that you are aware that they are incredibly busy and thus want to focus your time together on the big issues. You can then share an agenda which states why you should be talking with each other in the first place. A bullet point list which reflects your key objectives, sounds engaging and is limited to no more than three or four headline items is the way to go. The aim is to spark curiosity in your buyer and secure their attention for the story to come.

Remember, retail buyers meet many suppliers daily, often to thrash-out solutions to day to day challenges that span headache inducing topics such as clearing unpaid invoices, solving supply problems or voicing concerns about awful in-store merchandising. All important but thoroughly mind numbing discussions for a buyer. If you are meeting your buyer to sell, then make it clear that you have something exciting to share from the outset; it will be refreshing.

An opening intro to a first customer meeting might sound something like this:

> *"Hello, thanks so much for agreeing to meet, it's a pleasure. How are you today?*

[pause, let speak]

I appreciate you will be extremely busy, so I'd like to use the time we have to focus on a tight agenda

[pause, wait for nod]

Before we get started it would be great to kick-off with quick introductions, I'd also really like to learn a little more about your business and understand your top priorities, if you wouldn't sharing those?

[start with personal introductions and business intro from buyer, ask questions to better understand their headline category strategy and objectives].

Fantastic, thank you for sharing that detail, that's really insightful.

With the remaining time we have today, I'd love to touch base on one or two key trends which we're seeing in the market right now?

[pause, wait for nod]

Great, I'd then like to share an exciting opportunity with you, before discussing how we might be able to work together to capitalize on this in the future.

How does that sound?

[pause, listen]

Is there anything else I can do for you while I am here today?"

Top Tip! Take An Interest To Be Interesting

People tend to feel the need to sound interesting when they meet someone new. Counter intuitively, when making introductions, one of the most effective ways become interesting and isn't to talk about why you think you're interesting, but to show interest in the person you are talking with.

Naturally, we find ourselves pretty fascinating topics. When we find someone else who shares that appreciation, we automatically take an interest in them. We can show interest by asking questions that give our buyer time to talk about themselves.

Start with general questions, like "how's business?" listen to your targets answers. Explore the topics they chose to share with further questions to boost your grasp of their needs and desires. They might just let you in on a new opportunity or challenge you can capitalize upon early in your relationship.

Don't be afraid to talk about yourself too of course, just keep it short, sweet and focus on the most engaging and relevant headlines.

Watch Out! How Much Is A Lot Of Experience?

When giving your background, avoid specifying how long you spent in each job or role. "I joined **A** company from **B**, where I spent time in **C** category, and launched **D**. I really enjoy working for **A,** as it's …." is sufficient.

While 3 years here and 2 years there might feel like it's significant to you, and justifiably so, what really matters is what you've done, rather how long you've been somewhere.

A buyer with 20 years of trading history under their belt might see a comparable lack of experience as a sign that you're a relative rookie. If that's the impression you give, either your buyer will switch off, or worse still decide to try a few dirty tricks, such as imposing a parent-child style relationship on your interactions to keep you in their pocket.

If in doubt, keep it top-line and hold on to your credibility. Share personal motivations, why you love working on your category or brand, or what gets you out of bed in the morning and you will lay the foundations for a more meaningful discussion, and potentially friendship.

If early in your pitch you find yourself struggling to get your customer's attention, or find them buried in their laptop, remember it is *our* responsibility to own all communication in the meeting and *our* job to win their focus. A soft way to address the issue would be to pause and refrain from talking, or sharing any presentation material until they have finished distracting themselves.

A stronger approach, if that doesn't do the trick, would be to ask if "they are ok to be with you at this moment or need to attend to other business?" or "it looks like you're pretty busy at this moment … I'd like to use our time together to focus on the opportunity at hand, would you like me to stay or should we reschedule?"

Without wanting to be seen as overly sassy, by reminding our buyer that there is an opportunity to discuss and by then suggesting you could take your untold opportunity away from the them, we play to two very human emotions. The first is the desirer for reward. The second is the fear of missing out, aka #FOMO. If messaged convincingly, this pairing of desire and fear causes a hormonal release which makes us more alert.[11] People become much more interested in something if they feel there is a potential reward at stake, and doubly so if there is a risk that they might miss out on it if they fail to focus.

If after asking these pointed questions you get a "yes, stay, let's talk now" then you have given the clear message that you expect mutual respect for each other's time. They buyer meanwhile has confirmed their interest in hearing about the opportunity you are about to share. This is your invitation to proceed.

Delivery

After setting the scene and clearly framing your discussions, its time to get down to business. In your preparation, you will have built a bullet point story which will form the framework for your sales pitch. Could you deliver your core message in a 30 second elevator pitch if you had to? It's not unheard of for a buyer to arrive late to a meeting, tell you that you have a fraction of the time you first thought you had and how you react will be important. Cutting your meeting time may be a tactic to take you off guard, more likely they are just very busy and need to squeeze the most value from every minute in their day. For all their wealth in data, trying to find a buyer who considers themselves well resourced is like hunting for unicorns.

Ensure you are razor sharp on the macro to micro flow for your story, keep your message simple and make the key arguments crystal clear. Grab attention first by identifying key areas of shared value by highlighting headline trends in the market. Move on to present your customer relevant opportunity hook. Propose your targeted plan for action and finally, ensure you motivate by describing the proverbial carrot, or size of the prize that can be shared if they take you up on the offer.

Questioning

If you have a list of preprepared questions to address gaps or solidify assumptions in your category story, keep them to hand and support yourself with pointers to ensure you remember to use them. Using questions effectively will ensure that your category sales story becomes a shared story, one that grows in depth as you share it with your buyer.

Be sure to use affirming questions every step of the way to qualify that the buyer follows your analysis of the market situation, sees eye to eye on the core issues and agrees with your supposition that you have identified a category opportunity which is there for the taking.

While pitching your category story and commercial solution ask simple questions that invite a “yes” or nod of the head to your logic as you go. Owing to our own desire to be consistent with others and ourselves, when we invite people to exercise their choice by giving them the option to agree, with a “yes” in response to seemingly small and simple question, that person becomes twice as likely to agree to a subsequently more meaningful , or challenging proposition.[12] This means if we invite our customer to agree with, or object to, our micro arguments and logical reasoning during our pitch, they are much more likely to agree to our final proposal than simply offering them the same solution without the reasoning and small agreements along the way.

Style

Emotional intelligence certainly plays a role in governing how well we adapt ourselves to communicate better with those around us. A great variety of literature and business resources have been developed on the subject of adapting our own style to improve communication between individuals.

Much of the literature is based on the work by Swiss Psychiatrist Carl Jung. In 1921 Jung identified 4 principle psychological functions by which humans experience the world - sensation, intuition, feeling and thinking, and speculated that every person is subject to one of these dominant functions most of the time.

Jung's work was developed further by mother daughter team Myers-Briggs in the 1940s to identify 16 personality types, and then simplified by Don Lowry in 1978 to offer 4 key 'True Color' indicators. Each of these models offers an approach to helping you identify what makes yourself, customer or even your lover tick.

The value in embracing theses techniques is that once you understand your customer's personality type, you can begin to adapt your own style to them. This is useful in avoiding common communication pitfalls. It will also maximize the chances that your message rings true to your customer, ensuring they *feel*, *hear* or *conceive* the logic in your argument.

Beyond the scope of this book, links to further reading on personality profiling are listed under *Additional Resources*. A more rapid fire approach to adapting your communication style is to use the 'mirroring' technique - try listening to the words your customer uses, observe their non-verbal communication and adapt yourself to match them accordingly. Mirroring in action can be seen in all walks of life, from the way we often soften our native accents when we move town or county, or try to learn a new language and do our best to speak like a local. There's nothing new or underhand in using this technique. Put simply effective communication requires that we wear the other persons' shoes when we talk to them if we are to ensure our message is understood the way we intend it to be. This may feel mechanical at first, but practice this technique and it will come naturally to you.

TOOLS

With a clear story and logical structure in hand, it is important to carefully consider the resources that you will use to maximize the impact of your category sale.

At this stage it is worth asking yourself how much time you have with your customer, whether you are likely to be pitching to one person, or a room of decision makers, and whether they will be familiar with all of the concepts in your pitch. With the answers to these questions in mind, is there anything that you can do, or demonstrate, to make it as easy for your target(s) to comprehend the logic in your story and inspire them to take action?

While slide presentations are the norm for retailer meetings, we shouldn't be restricted to the confines of a slide deck to deliver the four cornerstones of our selling stories. Consider what else can you use to supplement or replace slides and really appeal to your buyer. Wherever possible, bring your products and engage them on their full range of senses by inviting them to see, touch, feel, taste and smell your actionable solution.

While this may seem obvious, but many multinationals find themselves selling new products into customers long before they have come through production. It is surprisingly normal for salespeople to turn-up at a pitch in the hope of selling an idea or concept alone, only to underwhelm their buyer who is eager to roll-up their sleeves and try the product themselves.

Bring samples or prototypes to your pitch to highlight USPs that are relevant to addressing category opportunities, across these senses. If not available consider other props which can convey these qualities.

What can you do to bring your concept to life? Can you bring in mock-ups to highlight key features or bring in competitor products to show where they fall short at meeting shopper needs?

If you are reviewing last year's results to set the scene before selling in a new annual business plan, how can you show off the most recent results to make our buyer feel proud and inspire them to continue collaborating with you?

Who might you want to be at the meeting to elegantly describe the challenge you foresee or particular parts of your proposal? Can your marketing team articulate the excitement in your brand plans better than you might? Does bringing a senior from your business demonstrate commitment and, therefore, attract more powerful decision makers to the table?

Whoever you do bring, consider that anything that comes out of their mouth has the potential to impact your chances of success. Take responsibility for everything your guests say and be sure that they are well briefed on your objectives, their role in the meeting and are crystal clear on any 'dos' and 'don'ts'.

High energy videos or insightful shopper feedback can be a great way to bring your story to life. Major cosmetics brands regularly invite their buyers to behind the scenes fashion shoots to strengthen their case for distribution gains and excite buyers ahead of new campaigns. On these high-octane days, buyers often get to meet and even have lunch with idols. If drinking champagne with pop idols doesn't show your buyer just how exciting your brand can be for their category, then we're going to struggle to find something that will.

If you are a challenger brand, you may not have the financial firepower to get Beyonce to tell your buyer why he or she should list your new mascara. The reality is however, that you might well be competing with someone who does. What can you do about it?

Take this as creative license to play to your strengths and make your pitch as interesting and engaging as possible, irrespective of whether your meeting takes place on a lifeless industrial estate, in a snug coffee shop or backstage at a catwalk.

Get What You Want

With your story prepared, your meeting well opened and pitch delivered effectively, all that remains is to get the deal. If you don't close, you're going nowhere.

Closing is often held in high esteem. A classic newspaper advertisement for a sales vacancy might mention "only great salespeople with a track record of closing need apply". Everyone sells, but not everyone closes. Despite this fact, closing is *not* a mystical practice reserved for those few 'born sellers'.

In truth, the most common reason that people fail at closing deals is that their attempt to close follows a poor sell, which is usually the result of, you guessed it… poor preparation!

By adopting the category sales method and taking an inquisitive, question filled approach to selling, we can ensure that our proposals are bespoke, focus on the big issues and offer tangible actions which are designed for success in-store.

With practice, you will be able to take full confidence in the quality of your sales pitch. Closing will then require just two things:

1. the guts to stop selling and go get what you're after.
2. the ability to go after your prize tactfully. Using tact when you go for the close is pertinent if you aren't to show weakness, or desperation which would risk harming your hard earned credibility and trust.

It is in these two veins that closing effectively will define you, not once, but twice.

Fail to go for the close and you'll find yourself in endless discussions with a buyer instead of getting your hard earned reward for your work. Fail to do it with integrity you'll undermine the future scale of your reward by weakening your relationship.

The first gauntlet; overcoming the fear of going for what you want, will likely come without too much trouble. If you have the mettle to put yourself in front of a prospect and deliver a sales pitch, then you've got what it takes to close. After all, you've done the hard work and deserve your reward.

How can we address the challenge of closing effectively, to build on our momentum and profit from our preparation while being tactful?

Firstly, we need to recognize that to get to a final deal we're going to probably need to negotiate. At some stage, we will need to iron out the details on a number of commercial variables which will govern all of our subsequent transactions with our buyer. Cost prices, delivery schedules, payment terms and investment support will all need to be agreed for new customers. Promotions, marketing support and the margins of new products will need to be settled on for brands launching innovation into existing sales channels.

Negotiation is a skill to be mastered. If of interest, recommended reading on how to improve your negotiating skills is included at the end of the book. In the context of mastering your sale, however, it's important to note that to negotiate effectively we first need to *stop* selling.

Trying to sell your way out of a negotiation will lead to painfully slow progress, a set of unaddressed issues and mutual frustration. Start to negotiate before you have finished selling on the other hand, and you will put power into the hands of the buyer. If a target hasn't told you that they want your merchandise or commercial plan, then they will drive a hard bargain during the negotiation phase ahead, if that is, that they take you up on your proposal at all.

The Soft Close

Herein lies the biggest reason people struggle with closing, even if they're prepared for a great sell. As salespeople, we want to drive our deal ahead as quickly as possible, by building on the momentum of our sales pitch, without getting stuck in the mire of detail. Equally, we don't want to move so fast that we lose endorsement for our plan. This can make the practice of closing feel like walking a tightrope. How can we become expert tightrope walkers?

One tried and tested method is to go for a ‘soft close’ as soon as you have completed your sales pitch. The soft close acts as a bookmark which will end your pitch and test the ground ahead for the transition into negotiation.

Keep in mind that the objective of our category sell is to make your buyer want the solution which you can offer, so that they can capitalize on the opportunity which you have identified. When we use the soft close we simply seek confirmation that the other party desires to progress with the proposal. With a soft close you want to agree with your buyers that, all being well on the necessary commercials, you would both like to partner together to deliver the proposed action and bring home your shared financial prize. This subtle, yet important step completes our sale, and opens the way move onto ironing out the detail required to make your plan happen. In addition to giving you the green light to thrash out the commercial elements of the deal, securing your buyer’s confirmation that they want to proceed before you start to negotiate also strengthens your hand in those same negotiations.

Explicitly, when entering a negotiation, if your customer doesn’t want to play game on your price and investment proposal, then your strongest hand is to be able to call off the deal and so too withhold the reward that they desire. If they have told you they want your product, then they will be aware of this threat and be keen to avoid it.

If you try to make the same threat when your buyer hasn’t confirmed that they want to take you up on your recommendation, the punch we throw isn’t going to carry much weight. In fact, such threats may jeopardize your listing. Securing a balance of power through your soft close will instead, position you to maximize your own profit from your category sales efforts.

Be Presumptive

A simple technique which we can use to confirm that we have done enough on the sales front and are ready to start negotiating is to use presumptive questions to secure our soft close.

Traditional closed questions such as “do you think we could do business together?” , or would you like to list my product?” invite your customer to say “no” without logical recourse.

In our pitch delivery we touched upon the importance of using questions to validate that a buyer agrees with the logic in our category story and with the value in the opportunity we have identified. To deliver our soft close we will return to the art of asking the right questions.

If you have deployed questions to invite affirmation for the key opportunity, action and reward anchors throughout your pitch, then you won't need to invite a “no” response at all. Agreeing to implement your solution should feel like the obvious next step. You can now ask questions which are relevant to executing the action plan you have presented. Securing answers to these questions will imply the buyer’s commitment to delivering the plan.

In this situation, presumptive questions are powerful. Questions like “when could we launch in-store?”, or “what would be the best way to put this plan into action?” offer your buyer a way to continue with their agreement of your logic and proceed, without asking them to evaluate afresh whether they like what you’re proposing with another “yes.”

An even softer approach is to frame your question by acknowledging that there is more to discuss, for example “assuming we agree on the commercial detail, how many stores could we look to roll-out into at launch?” should do the trick. This also gives you a great starting place to anchor your first proposal in your following negotiation.

If as a result of your presumptive question you find that discussions progress to the practicalities of working together, then the customer is in effect agreeing to your proposal to secure the opportunity with your solution. This is your invitation to follow-up with a your first negotiation proposal to iron out the remaining commercials.

At this stage, agreeing the detail to suit both parties is all that stands between you and your vision happening. Recommended reading on negotiation is included in the *Additional Resources* if you’re keen to brush-up on these skills.

Watch Out! Positioning Your Negotiation at the Sale

A word of warning, while the core objective of the sales pitch is to generate demand for your proposal, we must be aware of the potential impact that your proposal will have on the future profitability of the opportunity to both parties.

While you *do* want to excite your buyer by eluding to the great launch or promotional plan that you can deliver to accelerate category growth, you *do not* want to show your hand too early when it comes to the things you may need to leverage to negotiate the final agreement.

A smart way to keep hold of your negotiating chips during any pitch while still exciting your contact is to elude to the type of commercial plan that you *could* put in place if your buyer were to agree to your plan. You can do this by showing a willingness to support with investment in consumer promotions or marketing. This should be followed with the caveat that the support will be "*dependent upon finalizing commercials in a deal that needs to work for both parties*," or something similarly collaborative yet noncommittal.

Profit From Pushback Every Time

Some so-called sales gurus may tell you that if you prepare well enough, and are light-footed in your sale, then you will never get a "no" from you customer. While it may make a nice soundbite the statement isn't far from a total crock of sh*t.

The cold reality is that we're seldom in total control of everything that goes on around us. That is particularly true when it comes to selling against the competition to professional buyers. It's truer still if we ever find ourselves to be selling products which we couldn't hand on heart declare to be fully optimized for our customer and their shoppers.

Receiving rejection, criticism, or strong disagreement from your buyer in response to the logic or facts your present in your story does not mean that all is lost, or that the game is over. Sometimes a "no", really means "I'm not willing to work with your proposal in its *current* state".

In such instances, it is all too tempting to defend your original proposal at the first chance you get. A more valuable approach to handling any pushback from your customer that undermines your proposal is to actively *listen* to the buyer's concerns before all else. This is our final play. Interestingly, it is one which is often shied away from, despite being perhaps the most accessible to any one, salesperson or otherwise:

PLAY: OWN EVERY OUTCOME

When we own our outcome, whether its nature is good or bad, we begin to truly embrace the breadth of alternative solutions at our disposal to, if needs be, change the situation. If we find we aren't getting the outcome we had hoped for from our buyer and would prefer a different result, owning it will force us to look at the full range of alternatives we can utilize to change it. Similarly, owning a successful solution to any challenge your business faces will put you at the forefront of your business and ensure that you are recognized as a real asset and commercial leader.

If you are meeting resistance in your sales pitch, active listening and considered questioning are the two tools which will enable you to get a deeper understanding of your customer and their view of the category landscape. Explore the rationale behind a customer's pushback and look for the insights which they are making their own judgements upon.

If after considering the logic or reasoning behind their objections, you find that the objection is based upon inaccurate information, or personal preference alone, you can go back and revisit the insight that makes your case so compelling, and find a new way to communicate it effectively.

Alternatively, if during your discussions you uncover a piece of game changing market intelligence which had, until that very moment fallen outside your sphere of knowledge, then you can revert to your planning stage. Tweak your action plan to account for the new insight.

Pushback in the form of worthy counter arguments based on counter logic or insight from a buyer may well create a short term barrier to getting the sale you want. Overcoming such final obstacles then becomes our task at hand. Hitting blocks at this closing stage may understandably *feel* frustrating. The worst thing we can do however, is respond with frustration, and blindly protect our proposal. Rather, we need to revisit our cornerstones and enter solution mode. So, if during your pitch you are struggling to get to *"yes"*, take a deep breath, keep a calm head and try asking yourself whether any of the following underlying issues might be hampering your sale:

Wrong People

Are you pitching to the real decision maker?

If you find that your buyer needs to take the proposal away an get approval from his or her boss, then there are two approaches we can take.

Unsurprisingly, both of these approaches are based on taking control of communication:

One option is to pull together bite-size information for our buyer, the equivalent of your elevator pitch and provide them with what they need to win over the opinion and gain endorsement from their colleagues.

Alternatively, we can suggest that we hold a meeting with the real decision maker. Recognize that the decision maker has already decided to abstain from attending your current meeting, likely due to time constraints. What could we do get that person to the table? Would bringing other members of your team increase your chances of securing their time? Do they need their own product samples to test? If that’s not feasible, perhaps arranging for a short phone call would work?

Wrong Insights

Is your insight tight enough? Has the buyer shared some new information which changes the way that an issue should be approached? Are their values different from those you had perceived?

In this situation, its easy to feel like we’re back at square one. Your positive attitude will aid you to see the other side of this particular coin. Instead, consider that as a result of your efforts, and thanks to your customer relationship, you are now better informed on how to create solutions that *will* work, by understanding the customer, their category and the associated needs better than ever before.

While this may seem like a significant setback, retrospective fixes are usually more costly and time consuming to rectify than those changes implemented in the planning phase. Discovering that your basic assumptions were wrong at this pitching stage is far better than learning of an erroneous assumption after you have already launched your product or put your commercial solution into play. Take this as a nudge to get creative with your new insight. Are there elements in our existing proposal which remain relevant and fit for purpose? What action should you take to adapt your product, commercial or marketing proposal now that you are empowered with your new knowledge?

If after further research you’re utterly convinced that your insights are watertight, the challenge is for you to share this additional intelligence and take responsibility for your communication to ensure that your buyer agrees to your reasoning.

Wrong Customers

Does it feel like you're trying to hammer a square peg into a round hole?

It can be tempting to take a category opportunity and push it out to all customers within the market. In the process, you may find some of your target customers aren't necessarily set-up to capitalize upon the opportunity at hand. In order to create a tantalizing prize you could, for example, tell them that there is a big opportunity gap to be closed if they can get better at selling to a specific type of shopper they don't currently sell well to.

This is totally valid, but, only if your proposed solution and action plan can really make a difference and enable the customer to close the gap. Totally reversing the tide on macro issues with our micro solutions is a big ask and there has to be a limit. The solutions have to fit the challenge if they are to work.

Let's imagine that you sell male grooming product and your category sales pitch is to an online retailer that sells baby furniture to mothers. They are unlikely to take their fair share of the male grooming market if they stock your new men's razor, however big that prize may be. Clearly, the lack of men shopping for razors on a baby furniture shopping site is likely to mean that your razors sit in the stockroom unsold.

If we're trying to force our produce on the wrong type of customer, then the chances are that either we'll constantly fall short of closing our sale, or get the sale but achieve no sales through the cash register and therefore no reorders. As per the chapter, *Selling 101*, think 80:20, we would be better to focus our efforts on finding the best fit customers for our products, finding the insight, and building action plans which will enable us to grow our sales with them.

Wrong Product

Are you finding that you are repeatedly failing to make the sale, or perhaps failing to achieve the minimum viable scale in your repeat orders to retain listing? Do you receive similar pushback again and again, from a number of different customers regarding a problematic attribute of your product or brand?

If the data or your gut feeling shows that these should be good-fit customers, and the the answer to the above questions are indeed “yes,” then we’re in dangerous territory.

If a customer exposes a flaw in your product, or weakness in our brand, in the face of consumer trends, you might be staring a catastrophe in the face. This is especially dangerous if you are reliant on the sale of the product in question to keep your business going. Don’t blink.

The single most important thing we can do in this situation is to *not* put our head in the sand. Einstein famously defined insanity as “doing the same thing over and over again and expecting different results.”

If we, as salespeople, get repeated pushback against a proposition for similar reasons despite those customers being our best fit targets, then it’s our job to find alternative solutions which will perform better.

Your position on the front line in this sales battle makes you pivotal in the future success of your business. Collecting useful customer feedback, and exploring alternative solutions with your buyer, deserves your total focus.

Based on any new insight that your customer has shared, what would an ideal product look like? What can your business do to make that item or something close to it? What can you do to your commercial and in-store marketing plans to throw yourself a lifeline?

If you’re product isn't selling even when listed with, or pitched to, the right customers, you need to push your questioning and listening skills to the max. Learning what it would take to reinvent your existing proposition, or tweak innovation launches, to better meet end user and category needs might very well save your business.

Wrong Commercial Or Marketing Plan

Find yourself being told “nice product, it would move on shelf but I’m worried it might be too low a price point for my category”, “your brand awareness is weak, how can you be sure your product offering will be understood?”, or “why should I list this, you sell everywhere and I want a plan which will differentiate me from my competitors?”

If so, then the buyer isn’t necessarily saying that they don’t agree that you have highlighted an exciting opportunity, nor that they don't want to list your product. Instead, they're telling you something isn't quite right in your overall proposal. In this instance, consider the buyer to be a filter; someone who, if doing their job well, is preventing some fault in your current commercial proposition from reaching the market. The issues they raise will need to be solved if you are to reach a deal. More importantly if the buyer's concerns are valid, solving any issues at this planning stage will give your product the maximum potential to succeed once it hits the shelves with the best possible support plan.

To tackle this type of feedback we need to revisit the micro level levers which we can pull to support a product sale. Simply, our approach to solving this challenge needs to ensure that:

1. You fully understand your customer's promotional and marketing strategies - you should look to complement their broader, retailer strategies, not contradict them.
2. You have the best combination of recommended selling price and promotional plan to drive trial, and wherever possible activate one or more of the key metrics for category growth.

A great way to get to the point in scenarios like this is to ask our customer upfront for their recommendation. You could try "given your expertise, what would an ideal support plan look like to you?"

When we own these challenging situations as readily as our easy wins, and put our best foot forward in driving through solutions, we give ourselves the power to profit from any type of pushback. You will likely need to rally your business around you to make it happen. If that's the case, your structured approach to managing these issues coupled with a focus on what's best for the shopper will arm you with what you need to do that. Each peace of feedback managed in this way, with the support of your wider business, can become the very kick which spurs you on to stronger solutions, and a greater likelihood of selling success.

Six

Play On Top

Results - Let’s Make It Happen

“Life has a practice of living you, if you don't live it.”
Philip Larkin, English Poet

“Everything will be okay in the end. If it's not okay, it's not the end.”
John Lennon

NOBODY EVER SAID SALES WAS EASY, unless they were talking a lot of hot air. Neither is it rocket science. To be great salespeople, we need to combine a fitting attitude, with the appropriate knowledge, and then master the necessary communication skills with plenty of practice.

The path to becoming an expert salesperson, therefore, starts with first acknowledging the three truths offered in this book.

- **TRUTH 1: AS A SALESPERSON, YOU CAN BE THE MOST VALUABLE PERSON IN YOUR ORGANIZATION.**

- **TRUTH 2: THE SCALE OF YOUR SALE WILL BE DEFINED BY THE QUALITY OF YOUR PREPARATION**

- **TRUTH 3: YOUR SALES POTENTIAL IS LIMITED BY THE INFORMATION YOU HOLD**

In embracing the power of business intelligence, and closing the insight loop by becoming a conduit for two way communication, you will take products to market with greater scale than those who employ standard product centric sales approaches. As importantly, you will bring new intelligence back into your own business which can then act as a platform for building future success. Stay hungry to learn, listen attentively to your contacts and leverage your knowledge to build action plans. If you do that, you will become as well qualified as any other person in the business to spot gaps in the market to better meet end user needs, and deliver the next big win.

By operating in this agile way, you will become the most important part of your business, vital to its process for making money. This is how entrepreneurs are forced to operate, and it is how sales people become entrepreneurs within their own organizations.

By showing the curiosity to always look for the real drivers behind the face value of the things that happen, your attitude will put you in command of your own future and give you the ability to find a route to success in every outcome.

To really sell well and see your product succeed in the market you'll also need to practice the five plays. In the world of retail and consumer products, these are the mechanisms which set the top performers out from the rest. Consider these plays as rules. Commit to regularly reflect on how these rules might best be implemented in your approach to selling:

- **PLAY 1: BECOME AN EXPERT ON THE THINGS THAT MATTER**

- **PLAY 2: DON'T SELL PRODUCTS, SELL OPPORTUNITY HOOKS AND OFFER SOLUTIONS**

- **PLAY 3: SIZE YOUR PRIZE TO MOTIVATE FOR ACTION**

- **PLAY 4: TAKE RESPONSIBILITY FOR ALL COMMUNICATION**

- **PLAY 5: OWN EVERY OUTCOME**

Practice these five plays continuously. Doing so will enable you sell better than you have ever sold before. Consequentially, playing the game well will also empower you to earn the reward that you seek for your efforts. Vitally, practicing these plays will enable you to contribute to the long term sustainability of your business by developing better, customer and end user focussed solutions.

Your focus on shopper needs and emerging trends will support you and your business in its quest to develop innovative products which are truly desired by consumers. Your macro to micro approach, built on the four cornerstones of category selling stories, will also ensure that you put great commercial solutions in place; ones which maximize the revenue return which you secure from the opportunities you identify.

Your category approach to selling will give you the grounding needed to have better relationships with your customers; rather than hard selling and defensive buying, your buyer - seller conversations will focus on reaching consensus on the issues at hand, and agreeing collaborative plans of action which will grow sales.

Finally, sharing valuable insight with your buyers not only shows your credibility and expertise, but also seeds the ground for meaningful, trusting friendships. The combination of your shopper focus, and collaborative, consultative approach will make you the supplier of choice. When you become the go-to salesperson, you will find opportunities flow both ways.

In becoming a someone in your organization who holds the consumer and category needs at the heart of what they do, you are playing the game with the best possible hand. Make things easy for yourself. Remind yourself of your goals every morning, and why you do what you do. Focus your time and your efforts on the things which progress your sale. These plays will assist you to glide through the sales process; to prepare, contact, propose and close.

The final delivery of your solution will require effective after-sale management. As we have seen, when it comes to selling, the plays shared here can be used just as readily in your day to day customer management as they can in new business development. The plays in this book should be the basis for selling new innovation into existing customers, refreshing longstanding commercial plans, and for finding strategic alignment which can focus your collaborative efforts as buyers and sellers.

A selection of golden strategies and tactics useful for navigating the possible pitfalls of customer management after the initial sale, will be covered in a future title.

Print these rules, put them on your desk. Screen grab them on your cellphone, or tablet. Refer to them at a later date. When things get tough, and they always will if your goals are stretching, look back at this list of plays and check-in to see whether, upon reflection, you might need to adjust your game for a better outcome.

After each selling success remember to ask yourself “where did I win?”. After each misplaced step, ask “how might I do things differently to achieve a better outcome next time?” If you maintain this focus on your own learning, every action you take will be one more step towards your next positive outcome.

Above all, remind yourself of your goals every morning, and why you do what you do. Focus your time and your effort on the actions which will progress you, step by step, towards achieving the goals which are important to you.

All that remains is for you to take that next step, and put these plays into practice. Don’t be afraid to make mistakes. Those that make them fastest, and ask the correct questions of themselves and others along the way, are those that reach to the optimum solution first. They are also those who waste the least amount of time and money in doing so, and the ones who win bin in the long run.

Take courage and make your dreams come true. You are ready to sell.

A Personal Message

Make no bones about it, selling can be tough. It can also be incredibly rewarding. I am extremely fortunate to have been blessed with some truly wonderful experiences in the adventure that has been my own selling career to date.

I have been luckier still to have coached some wonderful characters in their sales development. Gifted with an open mind and driven by ambition, many of those individuals have gone on to achieve incredible results in their professional lives. They continue to enjoy the benefits.

It is *their* courage for personal development which provides the inspiration for the pages you have read. It is now my sincerest hope that the ideas shared herein will benefit *you*, so that you may achieve all you desire on your own brave journey.

Ultimately, in writing under a pen name, I understand that you will judge this book on its content, rather than any prior achievements of mine, or those of my generous contributors.

This book has not been published for status or public recognition. Neither, as is so often the case, has it been released as a false freebie to push an expensive, follow-up online seminar where the real secrets are revealed for $200 USD. Instead, as the author, I sincerely hope that these words may fulfill their objective and enable you to place your best foot forward to, starting with your next step.

If you have found this useful, I would be humbled if you might share a little love and recommend this book to a friend or colleague. Happiness truly does breed happiness, and perhaps you might lift them too to accomplish all they desire in their own sales journey.

Have a burning question? Send me an email. Under anonymity I will reply to all emails sent to **author@pocketsmarts.com** with **Ready to Sell** in the title. I also welcome all feedback, be-it brutal or kind, published against the handle **#readytosell**.

I wish you the very best of luck. I have faith in your ability to succeed. After all, as someone who sells, you are the type of person who will make things happen.

J. D. Maxim

Stay up to Speed?

To stay informed about future releases and selected industry news **sign up** to our pre-release mailing list at www.pocketsmarts.com.

Rest assured, we **do NOT** have any interest in bombarding your inbox. Our promise to you is to keep our communication limited, bullsh*t free and totally relevant. The PocketSmarts™ full data usage policy is provided at the above site.

READY TO SELL

TRUTHS

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No.5: OWN EVERY OUTCOME

J. D. MAXIM

Additional Resources

Glossary And Other Sums

Not all of the below terms have been used in the scenarios described in this book. You may hear them nonetheless when you are discussing category or selling dynamics with your buyer, or in internal meetings. These definitions will help you navigate some of the industry jargon:

Category Terms

Category - A group of products that address similar consumer needs. Complete categories of products are usually grouped together in store to make shopping easier. E.g. haircare products.

Sub category - also known as a **category segment** - is a sub group of products for a more refined consumer need. E.g shampoos or conditioners

Channel - is the path by which products are sold to consumers. Online and Brick-and-mortar stores are two alternative channels, while most brands and retailers will operate in more than one channel.

Omni-channel - selling through multiple channels, such as e-commerce, mobile subscription and in-store retail.

Trialist - a shopper who has tried a product once, but has not necessarily yet returned to purchase it again.

Repeat Purchase - the action of a shopper coming back to buy a product after their first trial purchase.

Repeat Rate - the percentage of shoppers, or trialists, who return to purchase your product. In simple terms, higher than category average repeat rates mean your shoppers are more likely to be satisfied with the product - price relationship than that of your average competitor.

Average Weight Of Purchase (AWOP) - refers to the number of items in a shoppers basket, or their weight in kg or liters.

Average Pack Price / Average Unit Price (AUP) - the average price of products bought for a brand, or category, calculated as total value sales divided by total units sales.

Switching - the change in a consumer's purchasing from one product or retailer to another. See the chapter, *Sales 1o1*, for further explanation of its use as a category growth lever.

Consumer Loyalty - shopper behavior whereby a consumer consistently buys from a single product, brand or retailer in a 12 month cycle.

Walk Rate - the percentage of people who would walk away from the category if a product was removed from a range. Loyal shoppers are more likely to walk to another retailer to buy their preferred products, while the remaining shoppers will simply switch into an alternative product. For manufacturers, high walk rates offer more powerful positions for any retailer negotiations than those who have weak walk rates, and could therefore be considered replaceable.

Penetration - the number of households which buy a product, brand, category or from a retailer at least once during a 12 month period. This is often described as a percentage of a defined population, usually the total national population, and is used as a measure of how widely purchased said product, brand or category is.

E.g. Toilet paper has a high penetration among American males and females, while luxury pet food has a low penetration among the same population.

Purchase Frequency - the number of times a shopper buys a product, brand or category per year.

Volume Sold On Deal (VSOD) - the percentage of volume of a product, brand or category which is purchased at a discounted price, divided by the the total volume of purchases of the same.

Calculating your VSOD for a promotional event - If during a promotional cycle, see below for definition, you sell all of your product at half price, your VSOD will be 100%. If you sell on a multi-buy promotion, then only a proportion of your products will be bought on deal. If you know your pre-promotion price, your promotional price and your AUP, see above, then you can calculate your own VSOD for any multi-buy event.

VSOD% = (**normal selling price - AUP)** divided by (**normal selling price - promotional price per unit)** x 100%

E.g If a \$1.00 product is promoted at 2 for \$1.50, and your AUP is \$0.90, then:

VSOD = (\$1.00 - \$0.90) divided by (\$1.00 - \$1.50 / 2) x 100 = \$0.10 / \$0.25 x 100% = 40%

This means in this instance 40% of your shoppers bought into your deal.

Cross Category Conversion - the percentage of shoppers who are buying one category of products who then buy another. If a 80% of a retailer's shoppers buy pasta, but only 20% buy pasta sauces, there would be an opportunity to grow pasta sauce sales by a multiple of 4 if the retailer could convert all of its pasta shoppers to into sauces.

Online Conversion - different from cross category conversion, this is the percentage of total visitors to an online site who go on to purchase from it.

EPOS data - is Electronic Point of Sale data, or simply electronic data captured at the cash register or till, which is used to track sales performance at a granular, store by product level. EPOS data is usually available for distribution, volume and value sales only.

Till Roll Data - as per EPOS data, with the name deriving from the time when cash register sales were printed onto paper rolls for calculating total store takings.

Market Share - the percentage of a market owned by a product, brand or retailer.

Share of Trade - the percentage a manufacturer has of a customer's retail sales.

Share of Business - the percentage of a manufacturer's business which goes through any customer.

Commercial Selling Terms:

Listing - the agreement to stock a product in a retailer's range.

Distribution - the number of physical stores which a product is listed in.

Facings - how many of each product sit side by side facing the consumer on shelf.

Velocity - rate at which product sells from the shelf. This can be measured in total units or value sales divided by the total distribution. This is the term used in American markets.

Rate of Sale - same as Velocity, used in the United Kingdom.

Promotional Uplift - the % increase in volume sales secured by running promotional activity.

Promotional Uplift % = ((**Promotional Sales Volume**) divided by (Normal **Non-promotional Volume**) - 1) x 100%

Promotional cycle - a retailers allotted time period during which promotions can run. These are commonly 2, 3 or 4 weeks long and defined in a calendar for the year ahead.

Promotional frequency - the number of times a product or brand is promoted per year.

Depth of Discount - the percentage consumer saving on a product when the consumer price is discounted to a shopper.

Cost Price - the cost per unit of your product to your customer.

Case Size - the number of products per case delivered to a customer's depot, and then store.

Case Cost - the cost per case ordered by a customer.

Retail Margin (Excluding Sales Tax) - the margin made at the cash register when a retailer sells a product after they have paid the tax man. Struggle with margin calculations? Absurdly, some very senior people in a number of organizations do too. Save yourself the embarrassment of this being discovered and make sure you have this covered:

Retail Margin = ((**Selling Price** $ - **Sales Tax** $) - **Cost Price** $)

E.g. if the Selling Price = $1.00, Sales Tax = 20%, Cost Price = $0.50 then:

Retail Margin = (($1.00 - $0.20) - $0.50) = $0.30

Retail Margin % (Excluding Sales Tax) - as above, with retailer margin in $ terms divided by the (**Selling Price** $ **- Sales Tax** $**)** to give a percentage**.**

E.g. Retail Margin % = (($1.00 - $0.20) - $0.50) / ($1.00 - $0.20) x 100% = $0.30 /$0.80 x 100% = 37.5%.

Retail Margin % (With Sales Tax) - as above, but some retailers will count their margin made less tax, as a percentage of the total sales taken at till. This measure shows a retailer what they are left with after paying the tax man as a proportion of everything the consumer spends in their stores. In this instance, while the absolute $ value remains unchanged, the percentage margin will be smaller than the retail margin excluding sales tax, with the government collecting a proportion of each shopper's spend. In the above example:

E.g. Retail Margin % = (($1.00 - $0.20) - $0.50) / ($1.00) = $0.30 /$1.00 = 30%.

Cost of Goods (COGS) - the cost of manufacturing, and in some instances delivering, a product to a retailer. If under any doubt, this is highly sensitive and should not be shared with a customer except under very particular circumstances.

Gross Margin - this is the margin made by the manufacturer on each product sold into a customer and can be expressed in $ or % terms. For the above example, if the COGS are $0.25, it is calculated as:

Gross Margin = **Cost Price** $ **- Cost of Goods** $

E.g. **Gross Margin %** = ($0.50 - $0.25) = $0.25

Gross Margin % = (**Cost Price** $ **- Cost of Goods** $) / **Cost Price** $

E.g. **Gross Margin %** = ($0.50 - $0.25) / $0.50 = 50%

Note, if a product is promoted with a discount, then the discount passed to the consumer must be deducted from the manufacturer's Gross Margin.

Payment Terms - are the number of days or months given to a customer to pay after receiving delivery of any stock ordered.

Cashflow - is the total amount of money being transferred in and out of a business. When stock takes longer to sell than the the payment terms offered, purchasing stock will have a negative cashflow impact on a retailer.

Working Capital - is the operating liquidity of a business, calculated as Current Assets less Current Liabilities. When a customer pays for merchandise, it turns cash into stock.In financial terms, if stock is expected to take longer than a year to sell, then it can no longer be considered a Current Asset. The lower the ratio between a company's Current Assets and its Current Liabilities, the less capable it is of meeting short term debt payments, and greater the risk of insolvency. If a buyer purchases slow moving stock, it weakens its solvency and risks the sustainability by a finite measure.

Opportunity Cost - the financial cost of not doing something due to one opportunity being ruled out by taking action on another.

Sources Of Data And Insight

Understand your category and build selling stories using the sources of business intelligence below. Each is interpreted for the type of data on offer, what it can be used for and its relative cost.

Note, the first three data types, while more obvious are totally free and often good enough for defining your macro to micro sales pitch. The following data types then offer greater depths of understanding at increasing investment requirements.

DATA TYPE: EYES AND EARS

EXAMPLE SOURCE: Store visits

LINK: Wherever your mind takes you.

EXAMPLE USES: Often the most powerful understanding can be gained by visiting a retailer, and observing it's shoppers, analyzing its product offering, looking for opportunity gaps and noting strengths and weaknesses vs. competitor stores. Try tabulating your findings of product qualities against consumer needs to help you visualize ranging gaps in-store.

BUDGET: Gloriously free

DATA TYPE: NEWSPAPERS, MAGAZINES, PRESS RELEASES, ONLINE SEARCHES

EXAMPLE SUPPLIER: Various

EXAMPLE USES: Quickly identify headlines relevant to you.

BUDGET: Gloriously free

DATA TYPE: INDUSTRY BODY REVIEWS

EXAMPLE SOURCE: IGD

LINK: www.igd.com

EXAMPLE USES: Offers participation in numerous industry forums and events, and access to retailer and category trend reports.

BUDGET: Several hundred dollars in membership fees, rising to several thousand dollars for participation in additional events.

DATA TYPE: CONSUMER PANELS AND SURVEYS

EXAMPLE SOURCE: Surveymonkey globally, Yougov in the U.K.

LINK: www.surveymonkey.com, www.yougov.co.uk

EXAMPLE USES: Generate quantitive data specific to your market queries, or to validate trends presented to your buyer.

BUDGET: You decide - free for basic versions, but beware, freemium options may lack reliable sample sizes or data export abilities. The more robust you want your results to be the more you will need to pay. As a yard stick 2000 survey participants is usually considered to be a statistically robust data size for commercial and marketing use.

DATA TYPE: SYNDICATED DATA

EXAMPLE SOURCE: AC Nielsen, IRI

LINK: www.nielsen.com, www.iriworldwide.com

EXAMPLE USES: Understand retail spend, product distribution and promotional metrics by purchasing aggregated EPOS data for your category.

BUDGET: Several thousand dollars for a single data set for a single category and retailer, at a specific time interval, and limited to basic tracking metrics. This can rise to many hundreds of thousands of dollars for in-house data teams that work in your office full-time to help you report weekly on retailers and competitors in your category.

DATA TYPE: PURCHASE PANEL

EXAMPLE SOURCE: Kantar World Panel

LINK: www.kantarworldpanel.com

EXAMPLE USES: Thousands of households scan their till receipts into the data platform so that you can understand shopper behavior and category metrics such as penetration, purchase frequency, spend and switching. Great for building more specific shopper stories with your retailers and identifying less obvious opportunities.

BUDGET: Several thousand dollars ranging to tens of thousands of dollars depending on the coverage and granularity you require.

Recommended Reading

PERSONALITY PROFILING

PROVIDER: Insights Discovery

LINK: www.insights.com

UNDERSTANDING SALES PSYCHOLOGY:

BOOK: The Psychology of Selling, Brian Tracey, Thomas Nelson, 2006

ISBN: 0785288066

PERSONAL PROMOTION:

BOOK: The Sell, Frederik Eklund, Avery, 2016

ISBN:1592409520

Selling Attitude and Behaviors:

BOOK: The Greatest Salesman in the World, Og Mandino, Bantam, 1983

ISBN:055327757X

Developing Your Negotiating Skills:

BOOK: The Negotiation Book, Steven Gates, Wiley, 2011

ISBN: 0470664916

Endnotes

1. Amazon listings statistics taken from Scraperhero, January 2017, website: https://www.scrapehero.com/how-many-products-are-sold-on-amazon-com-january-2017-report/

2. US salary statistics drawn from Salary.com, June 2017, based on HR Reported data, website: http://www1.salary.com/Sales-Director-Salary.html

3. The Pareto Principle is based on the original publication of Vilfredo Pareto, Cours d’conomie Politique Profess a l’Universit de Lausanne, Vol. I, 1896; Vol. II, 1897.

4. Online research stats gathered on hubspot.com, stats taken from Retailing Today, 2014, website: https://www.hubspot.com/marketing-statistics

5. Social media influence on purchasing decisions taken from consumer surveys conducted in a Deloitte report, 2014, available online at:

https://www2.deloitte.com/content/dam/Deloitte/us/Documents/consumer-business/us-cb-navigating-the-new-digital-divide-051315.pdf

6. The power of laughter refers to research published by Mary P. Bennet, associate professor and assistant dean, Indiana State University, Bennett, Mary P.; Zeller, Janice M.; Rosenberg, Lisa; and McCann, Judith. (2003). The Effect of Mirthful Laughter on Stress and Natural Killer Cell Activity. Alternative Therapies in Health and Medicine, 9 (2), 38-45. Available at: http://digitalcommons.wku.edu/nurs_fac_pub/9

7. Research referring to studies on improving your likability through self-disclosure is taken from the published article: Aron, Arthur; Melinat, Edward; Aron, N. Elaine; Darrin Vallone, Robert; Bator, Renee J. (1994). The Experimental Generation of Interpersonal Closeness: A Procedure and Some Preliminary Findings. Personality and Social Psychology Bulletin. 23 (4), 363-377. Available at: https://doi.org/10.1177/0146167297234003. The Harvard Business School has also published similar research as reference in the more recent business insider article, http://www.businessinsider.com/how-to-get-people-to-like-you-2017-7

8. How much thinking we do is hotly debated, lower estimates suggest 50,000 thoughts per day, while others put the number as high as 70,000. The lower figure taken from this text refers to a study published by the National Science Foundation referenced at the following website: https://mind-sets.com/info/success-conditioning/thoughts/

9. The Trump - Clinton email debate refers to James Comey's open letter to Congress published by the Washington Post and available at the following link: https://www.washingtonpost.com/apps/g/page/politics/oct-28-fbi-letter-to-congressional-leaders-on-clinton-email-investigation/2113/

10. The Wal-Mart data reporting figures disclosed are taken from The Center For Media Justice report - A Case Study of Walmart, available to download at http://centerformediajustice.org/wp-content/uploads/2014/06/WALMART_PRIVACY_.pdf

11. FOMO and anxiety references research by Texas and AM University, published on Science Daily at https://www.sciencedaily.com/releases/2016/03/160330135623.htm

12. The power of “Yes” and it’s relevance in sales pitching is based on published research combining 42 psychological studies on 22,000 people: Carpenter, Christoper J.; A Meta-Analysis of the Effectiveness of the “But You Are Free” Compliance-Gaining Technique. Communication Studies. 64 (1,2013), available at www.tandfonline.com/doi/full/10.1080/10510974.2012.727941.

Preface

Why Has This Book Been Written?

What Can You Gain from These Pages?

Is This For Me?

Why Sell?

Context - it pays to be a great salesperson

Some Home Truths

The Race For Space

Sell Smart vs. Hard Sell

Selling 101

Theory - how do people sell?

Pipelines And Process

People, Buy From People

The Psychological Seesaw

The Winning Way

Strategy - the category sell: where art meets science

Information And The Balance Of Power

A New Breed Of Salesperson

The Four Cornerstones Of Category Selling

Make "Yes" the Easy Choice

Tactics - use a language of consensus

Tackle Macro Level Issues

Action With Micro Level Solutions

Size The Prize
Get The Deal
Practice - closing will define you twice
Communicate With Intent
Get What You Want
Profit From Pushback Every Time
Play On Top
Results - Let’s Make It Happen
A Personal Message
Additional Resources
Glossary And Other Sums
Sources of Data And Insight
Recommended Reading