

# ***Principles of Customer-Oriented Selling***

- ❖ SPIN selling – raise four types of questions with prospects:
  - **Situation** questions: ask about facts or explore buyer's situation
  - **Problem** questions: problems, difficulties, and dissatisfaction buyer is experiencing
  - **Implication** questions: consequences or effects of buyer's problem(s)
  - **Need-Payoff** questions: value or usefulness of proposed solution
- ❖ Develop long-term customer relationships by:
  - moving from preliminaries
  - to investigating problems and needs
  - to demonstrating product's superior capabilities
  - and then obtaining a long-term commitment
- ❖ Prospects buy when:
  - they realize they have a problem
  - they lack the resources to solve their problem
  - the seller's offering can add value
- ❖ Sales guru Tom Hopkins on closing a sale
  - Ask questions that don't leave room for "no" answers
  - Speak of "investment" rather than "price" and "cost"
  - "Appointment" suggests serious time commitment; offer a "visit" instead
  - Don't ask, "May I help you?" This invites a "we're just looking" response. Instead ask, "What can I help you find today?"
  - Isolate areas of agreement – secure a lot of little "yeses" on the way to the big "yes."

# ***Principles of Personal Selling***

## ❖ Passive vs. Active Selling

- Passive order *taker*
- Active order *getter* - learns how to:
  - listen and question to identify the customer's needs
  - come up with sound product solutions

## ❖ Six steps in effective sales process:

- Prospecting and qualifying – identify and qualify hot and warm prospects
  - Hot – directed to sales force
  - Warm – telemarket team (usually takes about 4 calls)
- Preapproach – learn as much as you can about prospect and decide upon the best approach (personal visit, phone call, email, etc.)
- Presentation and demonstration – tell the product “story”
  - AIDA using FABV
    - Gain **A**ttention
    - Hold **I**nterest
    - Arouse **D**esire
    - Obtain **A**ction
    - **F**eatures
    - **A**dvantages
    - **B**enefits
    - **V**alue
  - Sales people spend too much time dwelling on product features and not enough stressing the offering's benefits and value (product orientation vs. customer orientation)
- Overcoming objections
  - Psychological resistance – includes preference for established brands, predetermined ideas, dislike of making decisions, etc.
  - Logical resistance – price, product characteristics, etc.
  - Maintain a positive approach: ask to clarify objection
    - “Question the buyer in a way that the buyer has to overcome his or her own objection, denies the validity of the objection, or turns the objection into a reason for buying” (Kotler and Keller, 626).
- Closing
  - Offer to write up the order
  - Ask whether buyer wants A or B
  - Get buyer to make minor choices
  - Offer specific inducements to close the sale (special price, gift, etc.)
- Follow-up and maintenance – necessary to ensure customer satisfaction and repeat business
  - Cement purchase terms: delivery time, financing, etc.
  - Schedule follow-up call when order is received
  - Develop maintenance plan for accounts (future follow-up)